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## ADDITIONAL AGENDA

### Council

**Date:** April 8, 2020  
**Time:** 9:30 AM  
**Location:** Online Video Conference

#### Members

Mayor Bonnie Crombie	
Councillor Stephen Dasko	Ward 1
Councillor Karen Ras	Ward 2
Councillor Chris Fonseca	Ward 3
Councillor John Kovac	Ward 4
Councillor Carolyn Parrish	Ward 5
Councillor Ron Starr	Ward 6
Councillor Dipika Damerla	Ward 7
Councillor Matt Mahoney	Ward 8
Councillor Pat Saito	Ward 9
Councillor Sue McFadden	Ward 10
Councillor George Carlson	Ward 11

Due to efforts to contain the spread of COVID-19 and to protect all individuals, the Council Chamber will not be open to the public to attend Council and Committee meetings until further notice.

**Public Comments:** The public may submit comments regarding agenda matters to the [city.clerk@mississauga.ca](mailto:city.clerk@mississauga.ca) by Tuesday, April 7, 2020 before 4:30 PM. Comments submitted will be considered as public information and entered into public record.

#### Contact

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**7.            DEPUTATIONS**

- \*7.1           Gary Kent, Commissioner of Corporate Services and Chief Financial Officer to speak regarding the managing of financial impacts of COVID-19.

Item 9.1.

**9.            MATTERS PERTAINING TO COVID-19**

- \*9.1           Managing the Financial Impact of COVID-19
- \*9.2           Bonusing: An overview of section 106 of the Municipal Act, 2001
- \*9.3           Municipal Accommodation Tax
- \*9.4           Measures for Festivals, Events and Gatherings within City Facilities and Parks related to COVID-19
- \*9.5           Recommended Granting Measures Related to COVID-19

**17.          MOTIONS**

- \*17.1           To close to the public a portion of the Council meeting to be held on April 8, 2020 to deal with various matters. (See Item 22 Closed Session)

**22.          CLOSED SESSION**

- \*22.1           Personal matters about an identifiable individual, including municipality or local board employee: Verbal Update related to the interviews for a Commissioner of Community Services

# City of Mississauga Corporate Report



Date: April 6, 2020

To: Mayor and Members of Council

From: Gary Kent, CPA, CGA, ICD.D, Commissioner of  
Corporate Services and Chief Financial Officer

Originator's files:

Meeting date:  
April 8, 2020

## Subject

**Managing the Financial Impact of COVID-19**

## Recommendation

1. That the report of the Commissioner of Corporate Services and Chief Financial Officer dated April 6, 2020 entitled "Managing the Financial Impact of COVID-19" be received for information.
2. That the Federal and Provincial governments be requested to provide municipalities with an operating grant to help municipalities fund current operations and maintain appropriate service levels during the COVID-19 crisis, and further allow for service levels to quickly be re-established during the period of recovery.
3. That the Federal and Provincial governments be requested to establish a new infrastructure building program by increasing the amount of gas tax funding made available to municipalities to stimulate the economy later this year.
4. That the Federal and Provincial governments be requested to accelerate approval of ICIP project applications submitted by the City of Mississauga on October 23, 2019 and November 12, 2019 to facilitate the economic recovery after the period of emergency is over.
5. That this report be forwarded to all local MPs and MPPs, FCM, AMO and the Federal Minister of Finance and the Ministers of Municipal Affairs and Housing and Minister of Finance for the Province of Ontario.

## Report Highlights

- The COVID-19 Pandemic presents the greatest financial challenge that families, businesses, communities and municipalities have seen in generations.
- Financial goals are secondary to following direction and advice from Public Health aimed at protecting the health of our citizens.
- This report provides a financial update to Council on the City's financial position and outlines financial measures taken to date by all levels of government in managing the COVID-19 health crisis.
- The COVID-19 Pandemic has affected most stakeholders all at once and municipal reserves are not sufficient to insulate the Corporation beyond the medium term.
- Financial assistance for municipalities across Canada will be required from the Provincial, Federal governments as municipalities in Ontario cannot run deficits, and liquidity is limited.
- Mayor, Members of Council and staff have been engaging and listening to the community through various channels.
- All four levels of government have responded with various tactics to assist the community.
- The City, working with the Province and Region of Peel, has deferred \$360 million in property tax receipts to assist with short-term liquidity issues for residents and businesses.
- The length of the crisis is unclear, and this makes it difficult to accurately predict the financial outcomes.
- The most significant 2020 impact on City finances is related to loss of revenues, offset by some savings in expenditures due to reduced levels of service and temporary layoffs.
- Multi-year impacts will emerge which have not yet been quantified.
- The preliminary forecast of the impact of COVID-19 is an operating pressure of \$43.4 million (April) to \$59.1 million (June). This could rise to \$100 million by the end of the year if the strict isolation conditions remain in place until then.
- The April 3, 2020 announcement by the Province stopping all non-essential construction will have an impact on the City's 2020 capital program. This impact will need to be analyzed, including the potential for legal claims against the Corporation for delays.
- Staff across the City are continuing to work with Council to identify areas where the City can help its residents and businesses and to recommend appropriate measures that can be taken.
- The City's cash position is being monitored daily and budget projections are being updated on a regular basis.

- The Leadership Team are working with every area of the Corporation on an urgent basis to identify where costs can be reduced or avoided to reduce the deficit for 2020 and longer term.

## Background

The COVID-19 Pandemic presents the greatest financial challenge that families, businesses, communities and municipalities have seen in generations. While Mississauga has managed its finances well and has provided for emergencies such as floods, ice storms and other weather related events, these have been limited in duration and been targeted to specific geographies or stakeholders, making financial recovery more straightforward.

The COVID-19 Pandemic has affected most stakeholders all at once and municipal reserves are not sufficient to insulate the Corporation beyond the medium term.

This report provides a financial update to Council on the City's financial position, which is significantly different from the budget approved on January 22, 2020 as a result of the COVID-19 crisis. The report also outlines actions already implemented by the City and other levels of government to provide financial relief to residents and businesses within the City of Mississauga and next steps as this crisis unfolds.

## Comments

### Establishing Financial Planning Principles

Council approves an annual budget and ten-year forecast as part of its business plan, which ensures the current range and level of service provision can be maintained and identifies the City's capacity to grow.

In a crisis period such as the world is currently experiencing, plans change with a focus on public health and essential services. For example, with the requirement for physical distancing and self-isolation at home, it was important to protect the health of our transit operators and passengers with rear-door boarding introduced and service levels in transit reduced.

Consequently, transit became a free service and all system revenues were lost. Similarly, Council has deferred the collection of \$360 million in property taxes through deferral of property tax instalments for ninety days, something no one would have considered when the budget was approved.

The duration of this crisis is unclear. As the City proceeds through this crisis and Council grapples with numerous issues which have financial impact on the community, it is appropriate to establish a number of principles which will assist Council in making those decisions, drawing upon the City's experience and record of achieving a strong financial position in the past.

1. Public Health is the first priority

Services should be adjusted to respond and support our community and employee health as a first priority. Financial goals are secondary to following direction and advice from Public Health to protect the health of our citizens.

2. Preserve the long term strength of the property tax base

Taxes provide 58 per cent of the revenues that fund City services. Any loss in taxes in response to the COVID-19 crisis will require a reduction in services or a disproportionate increase in taxes in the future. Tax deferrals provide short-term relief to taxpayers while ensuring sufficient funding to maintain services. Cancellation of fees is a cost that will need to be borne by the taxpayers in another way in a later year. Staff are assessing approved and forecasted resources and will report to Council on an urgent basis with recommendations to assist the financial challenge as we look to the Provincial and Federal Governments for assistance.

3. Comply with legislation

The City is provided with legislative obligations and authority and spheres of influence by the Municipal Act, Planning Act and other legislation. For example, the City needs to be aware of the bonusing provisions of the Municipal Act and ensure that it provides equality of treatment for any programs it provides to its residents and businesses.

- 4 Allow other levels of Government time to fulfill their mandates

Other levels of government have different jurisdiction, rights and obligations. Each level has a different financial capacity, which drives that level's ability to provide assistance and undertake programs.

The City should only consider support in areas in which it has jurisdiction and which it can provide cost effectively. The City should leave larger programs to those levels of government which have the financial capacity to undertake them and avoid the risk of duplicate programs with other levels of government.

- 5 Use reserves appropriately to manage financial challenges

The City has limited reserves to manage some of the financial unpredictability resulting from the COVID-19 crisis. These reserves should be used for the purposes for which they were set aside.

Reserves are established for a number of purposes and are a key mechanism to smooth out unforeseen pressures and the tax rate from year to year. Some provide for unknowns (Winter Maintenance, Fiscal Stability Reserve) or for future liabilities (Insurance). Others provide for future spending (Tax-Capital Reserve Fund), or are required by law (Development Charges, Federal and Provincial Gas Tax). Some are discretionary and some are restricted.

## 6 Deviation from our financial plan should not be permanent

Any assistance to the public and businesses should be one time or have a defined end date if they are approved by Council. Similarly new programs or relaxation of existing programs should be reconsidered by Council after the crisis is over with an appropriate Corporate Report and empirical evidence of need and affordability.

### **Listening to the Community**

In addition to continuing to meet virtually, Mayor, Members of Council and staff have been engaging and listening to the community through various channels such as virtual meetings with resident and rate payers associations, seniors groups, the economic development advisory board, the tourism board, tele-town halls, 311 calls, robo calls and emails to our elected officials and have heard a range of concerns which are attached as Appendix 1.

All of the concerns are being heard and factored into decisions of Council where feasible.

### **Responding to the Crisis**

Multiple actions have been taken by all levels of government including the City of Mississauga. City actions include the deferral of property taxes for 90 days for all taxpayers and the introduction of a Business Relief Portal to provide businesses with the most up-to-date information on available government support. More detailed information on these measures from all levels of government is available in Appendix 2.

### **Preliminary financial projections, considering COVID-19 impacts**

The preliminary forecast of the impact of COVID-19 is an operating pressure of \$43.4 million up to the end of April. That deficit rises to \$59.1 million if the emergency goes to the end of June. Staff continue to refine these estimates as more information becomes available. Pressures may also be increased or mitigated by future Council, Provincial and Federal decisions.

The most significant impact on City finances is related to loss of revenues, offset by some savings in expenditures due to reduced levels of service and temporary layoffs.

The projection model identifies pressures on the 2020 operating budget arising from the various COVID-19 impacts. It is unknown how long the social distancing and self-isolation practices will remain in effect. Scenarios have been developed assuming these practices continue to the end of April, May, June, September and December.

For clarity, the numbers reflect not just the impact to the month captured, but the full-year impact should the strict community guidelines be lifted by the date noted. For example, transit revenue would not instantly return to its previous levels and an estimate has been included to reflect that for the balance of the year.

Table 1 provides estimates assuming the COVID-19 crisis continues to the end of June. Modelling has also been done to identify pressures in the event the COVID-19 crisis continues further into the year. Preliminary estimates indicate if the COVID-19 crisis were to continue to December 2020, the City would be faced with pressures exceeding \$100 million before

consideration of additional reductions in costs. There will also be multi-year implications, not yet reflected, such as the GTAA PILT payment and potential for increased bad debt.

Pressures arising from COVID-19 are not the only items impacting 2020 spending. As in any year, variances can arise from various other sources. Table 1 also summarizes all impacts identified to date, either as a result of COVID-19 or from business as usual. Details for April, May and June scenarios are presented, and a discussion on each variance line item is provided below Table 1. The average weekly pressure arising from COVID-19 is currently running at \$6.8 million, although this average is expected to fall in the coming weeks.

<b>Table 1. YEAR-END PROJECTIONS FOR COVID CRISIS</b>				
	<b>Physical distancing ends:</b>	<b>April 30</b>	<b>May 31</b>	<b>June 30</b>
<b>COVID-RELATED PROJECTIONS</b>				
<b>*</b>	<b>By Major Expenditure / Revenue Category</b>	<b>Surplus / (Shortfall)</b>	<b>Surplus / (Shortfall)</b>	<b>Surplus / (Shortfall)</b>
1	Recreation - reduced revenues	-16,745,000	-19,439,000	-23,287,000
2	MiWay - reduced operations, diesel savings, reduced revenues	-14,603,000	-19,282,900	-25,777,400
3	Investment interest loss (lower returns)	-4,452,000	-4,577,700	-4,703,500
4	Parking revenues lost	-2,989,200	-3,799,500	-4,956,000
5	POA - reduced revenues	-1,725,400	-2,120,900	-2,473,100
6	Living Arts Centre - reduced operations, reduced revenues	-1,737,800	-1,737,800	-1,737,800
7	Loss of interest due to property tax deferral	-2,000,000	-2,000,000	-2,000,000
8	Various other impacts	-1,421,200	-1,843,500	-2,371,600
9	Labour - reduced hiring and temp staff lay-offs	2,274,800	4,931,000	8,156,500
	<b>NET SURPLUS / (DEFICIT) RELATED TO COVID</b>	<b>-43,398,800</b>	<b>-49,870,300</b>	<b>-59,149,900</b>
<b>BUSINESS-AS-USUAL (BAU) PROJECTIONS</b>				
<b>*</b>	<b>By Major Expenditure / Revenue Category</b>	<b>Surplus / (Shortfall)</b>	<b>Surplus / (Shortfall)</b>	<b>Surplus / (Shortfall)</b>
10	Anticipated gapping savings	8,251,100	8,251,100	8,251,100
11	Insurance Renewal (premium increase)	-1,013,700	-1,013,700	-1,013,700
	<b>NET SURPLUS / (DEFICIT) RELATED TO BAU</b>	7,237,400	7,237,400	7,237,400
	<b>NET SURPLUS / (DEFICIT) PROJECTED TO YEAR-END</b>	<b>-36,161,400</b>	<b>-42,632,900</b>	<b>-51,912,500</b>

COVID-19 related projections:

1. The closure of recreation facilities will result in significant lost revenues, currently projected at \$16.7 million (if the COVID-19 distancing practices cease at the end of April) to \$23.3 million (if the distancing practices continue to the end of June). The lost revenues are a result of immediate closures, cancellation of spring classes, and anticipated reduced revenues for the rest of the year as client behaviour gradually returns to normal.
2. To protect the health of both transit operators and passengers and implement social distancing, rear-door only entrance was introduced, with the result that fares could not be collected and significant revenue loss is projected (\$18.7 million by April 30 to \$30.7 million



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by the end of June). These losses are offset by reduced diesel consumption (from \$0.9 million in April to \$1.7 million in June). Furthermore, the current economic conditions have resulted in significant price reductions for diesel, anticipated to continue for the remainder of the year (\$3.2 million). These three factors combined are currently projecting a pressure of \$14.6 million (April) to \$25.8 million (June).

3. The City maintains sound reserve and reserve fund balances, and benefits from investment earnings on its assets. Given the current economic conditions, these investment earnings are projected to be \$4.5 million less than budgeted (April) to \$4.7 million (June).
4. Other sources of income will also be affected. Parking enforcement is reduced and fewer cars are on the road. The overall reduction in revenue for Parking is estimated to be \$3.0 million (April) to \$5.0 million (June).
5. It is anticipated that fewer Provincial Offences Act (POA) tickets will be issued, and with the closure of courts, some revenues will also be deferred. The current estimate is that POA revenue will be reduced by \$1.7 million (April) to \$2.5 million (June).
6. It is anticipated Living Arts Centre (LAC) performances will not be rescheduled before the end of August. Reduced operating expenditures will not fully offset the loss of revenue, and a pressure of \$1.7 million is anticipated for the LAC.
7. The three-month relief on tax payments will have the impact of a reduction in penalties in the short term. The current estimate is that property tax penalty revenue will be reduced by \$2.0 M. There is the potential that future tax payments from residents and businesses could be paid later than usual, which would mitigate this pressure.
8. Various other impacts (for example, reduced TNC revenues, increased costs to communicate with our stakeholders during the crisis, and operating costs related to emergency management) are anticipated to generate a pressure of \$1.4 million (April) to \$2.4 million (June).
9. Some salary savings are anticipated as a result of COVID-19. The hiring process has slowed down, and only essential positions are being filled during the COVID-19 period. This is generating an estimated \$1.1 million in savings (April) to \$1.9 million (June). The decision to lay off temporary staff will also generate some relief, estimated at \$1.2 million (April) to \$6.3 million (June). Combined, labour savings are projected to range from \$2.3 million (April) to \$8.2 million (June).

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#### Variances Attributed to Regular Business:

10. Each year, the City realizes variances as a result of regular business. At this time, savings arising from vacant positions, in addition to the savings already budgeted for, are estimated to be \$8.3 million.
11. The City has also renewed its insurance policies, and a \$1.0 million pressure has been identified in this area.

As a result, the business-as-usual variance is currently projected at a \$7.2 million surplus.

#### Total Impact on 2020 Budget:

The combined effect of COVID-19 and currently projected variances as a result of regular business is an operating pressure of \$36.2 million (April) to \$51.9 million (June). Staff continue to refine these estimates as more information becomes available. Pressures may also be increased or mitigated by future Council, Provincial and Federal decisions.

A similar analysis will be performed on the City's capital expenditures as more information becomes available. Some capital projects may have to be delayed due to the social distancing and self-isolation practices. Other capital projects may be accelerated or created if and when the senior levels of government identify stimulus project funding after the COVID-19 crisis is over. The April 3, 2020 announcement by the Province stopping all non-essential construction will have an impact on the City's 2020 capital program which will need to be analyzed, including the potential for legal claims against the Corporation for delays.

### **Mitigating Our Financial Pressures**

Reserves and Reserve Funds (R&RFs) are established by Council to assist with long-term financial stability and financial planning in the City. R&RFs are an important element of the City's financial plan. By maintaining reserves, the City can accumulate funds for future needs or contingent liabilities, a key element of sound long-term financial planning practices. The City has a long history of prudently managing its R&RFs.

Some reserves and reserve funds are established at the discretion of Council. "Stabilization Reserves" assist the City in managing unexpected in-year fluctuations. The City's main stabilization reserve is the Fiscal Stability Reserve. Historically, the City had separate stabilization reserves for diesel, other commodities, assessment appeals, legal settlements, and so on. A detailed review of all Reserves and Reserve Funds was conducted in 2016. Staff worked closely with BMA Consultants (BMA) to rationalize all of our reserves and reserve funds. One of BMA's key recommendations was to establish a single, larger reserve that mitigates the risk for all of the City's contingencies. This ensures we are mitigating risk while not maintaining unnecessarily high balances in reserves. The Fiscal Stability reserve target is set at 10% of the City's own-source revenues (less targets for other stabilization reserves).

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“Other Reserves Established by Council” include those reserves and reserve funds established at the discretion of Council for purposes such as mitigating future liabilities (e.g., Insurance claims). The Tax Reserve Funds, which fund a large portion of the City’s state of good repair and City-building capital projects, will be instrumental in assisting in the City’s economic recovery once the crisis is over. These Tax reserve funds have provided the City’s contribution to federal and provincial stimulus programs in the past. However, given the impact of this crisis, our ability to contribute this time will be limited.

“Statutory Reserves” are those Reserves required through various legislation (for example, DC & Other Development-Related Funds can only be used to fund growth-related capital projects).

Table 2 summarizes the City’s R&RFs by category, and their position at the end of December 2019. Appendix 3 provides a detailed description of these reserve and reserve fund categories, with some additional information on how these are managed.

Staff will be reviewing Council-established reserves as one of the tools to mitigate the 2020 deficit and will report to Council in the future.

**Table 2. City of Mississauga Reserves & Reserve Funds**

Category	Reserves & Reserve Funds	Balance Dec. 31/19 \$000s
Stabilization Reserves	Arts	1,694
	Building Permit	18,312 *
	Elections	2,381
	Fiscal Stability	51,253 *
	Winter Maintenance	11,257 *
	Stormwater (accrual management)	9,517
Other Reserves Established by Council	Tax Reserve Funds	190,846
	Operating Reserve Funds	81,486
	Stormwater Reserve Funds	65,180
Statutory Reserves	DC & Other Development-Related Funds	262,735
	Gas Tax and Transit Reserve Funds	156,246
	Stormwater Development Charge Reserve Funds	33,346
	Other Reserve Funds	21,128

\* stabilization reserves assisting with in-year pressures

## Liquidity

Projections of the City’s cash flow through to the end of the year indicate that the City has sufficient cash balances despite the projected loss of revenues, additional expenses and deferrals of property tax and stormwater charges. Immediate action was taken to initiate an increase of the line of credit with the City’s bankers from \$100 million to \$250 million. It should be noted that we have not had to access the City’s line of credit since 1998. As an alternative to a line of credit, the bank has also indicated that it would be able to issue Banker’s Acceptances at a lower rate than it would charge on the line of credit as a result of a Federal program in place during the emergency designed to add liquidity to the economy.

Changes in due dates for the Region levy and the deferral of Education tax remittances to the School Boards by 90 days (September and December) are also assisting to offset what would

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be declining liquidity levels. Additionally, cancellation or deferral of budgeted projects will assist in maintaining liquidity. Of concern though will be a likely increase in taxes receivable and other receivables as the general economic position deteriorates. Staff continue to monitor our cash position on a daily basis and will advise Council if concerns arise.

The City pays for some supplies and services in US dollars. We currently have a balance of \$6 million on hand which was purchased late last year when the exchange rate was more favourable.

### **Actions that Council is considering that are not included in the projections above**

While this report deals with many financial impacts resulting from the COVID-19 emergency, there are additional related reports to be considered by Council on April 8, 2020. The financial impacts noted in these reports have not been included in the numbers presented in this report.

#### **Paid Parking Fees (Wards 1, 2, 4, 11):**

Paid parking usage is expected to decrease by 80% which will result in an average loss of parking revenue of \$172,000 per month. The City is still obligated to pay the \$35,500 contractual monthly fee to our parking pay and display machine vendor. These impacts are included in the forecast in Table 1. If the decision is made by Council to implement free parking, this monthly loss estimate would increase to \$233,000.

#### **Late Licence Renewal Fee Exemptions for Pet and Mobile Business Licences:**

The request to waive late licence renewal fees for pet licences and mobile business licences the expected loss in revenue will be \$4,300 per month.

#### **Municipal Accommodation Tax:**

Purchased accommodation has been impacted as a result of travel restrictions, event cancellations and self-isolation requirements. MAT revenue will be significantly lower in 2020 compared to prior years, and will be impacted further if the program is suspended for any period of time. Deferral would not cause a material financial impact.

#### **Recommended Grant Measures Related to COVID-19:**

Staff are recommending that rules associated with the City's Culture and Community Grant Program be relaxed so that community groups who need to cancel or alter their planned program or festival can retain their approved funding in order to ensure the business continuity of these organizations. The recommended changes align with steps undertaken by the Federal and Provincial governments for their respective grant programs, and would have no financial impact to the City.

#### **Cancelling City Organized Events and Permits on City Property:**

Staff are recommending that all festivals, events and gatherings of more than 100 people within City facilities and parks up to July 3, 2020. There are approximately 368 such events scheduled between now and July 3, 2020. Customers with rental contracts will be provided with a credit on

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their account, or refund if requested. Staff will bring a report to Council with details of the financial impact at a later date.

## Next Steps

The Leadership Team, working with every area of the Corporation, are identifying areas where costs can be saved in an effort to reduce the projected deficit for 2020.

An update on the final property tax bill will be brought forward to Council in late April or early May.

## Operating Budget

For clarification, the City can run a deficit in a given year; but it cannot budget for a deficit. This is stated in section 290 of the Municipal Act (see Appendix 4). Any deficit can be offset through the use of reserves or by increasing taxes in the subsequent year or by more traditional measures such as increasing revenues or reducing expenses in the year of the impending deficit. Unlike the Federal and Provincial governments, the City cannot borrow to fund a deficit.

The magnitude of the 2020 deficit, the state of the economy later in the year and the financial position of the City's residents and businesses will determine the extent of any 2021 tax increases and the rate of growth of City services. Staff will work with Council including a 2021 budget update at the June 24 Budget Committee meeting.

## Capital Budget

While we are still in the early phases of this emergency, all levels of governments are thinking about the financial recovery to follow. A traditional approach by the Federal government during times of economic instability has been to establish infrastructure-building programs to provide jobs and get the economy moving. Municipalities have been a key partner in past infrastructure building programs.

It would be appropriate for the Federal and Provincial governments to establish a new infrastructure program with no municipal contribution. The funding mechanism recommended is the gas tax, which instantly gets money into the hands of municipalities, while maintaining appropriate audit controls.

The Mayor and staff are working with colleagues across Canada through FCM and AMO to feed ideas and suggestions to the appropriate ministries.

Ideas include tripling the Federal and Provincial gas tax allocations and accelerating approvals for the existing Investing in Canada Infrastructure Program (ICIP). Council made applications for 17 public transit projects in October 2019, and two community, culture and recreation projects in November 2019. We do not currently expect approvals until the fall of 2020. With the exception of the Dundas and Lakeshore BRT projects and the Public Marina and Waterfront Park, the balance of the projects can be commenced quickly.

We will continue to be responsive to Council and the needs of our community, and we will continue to keep Council informed so that timely decisions can be made.

## Financial Impact

The COVID-19 crisis is anticipated to result in significant pressure on the City's operating budget, ranging from \$43.4 million (if the crisis were to end by April 30) to \$59.1M (if the crisis were to end by June 30). In the event the COVID-19 crisis was to continue to the end of the year, the City would be facing pressures in excess of \$100 million. These pressures could be somewhat offset through savings from other line items, such as gapping.

Staff are reviewing the impact on the city's financial position as a result of the COVID-19 crisis on a daily basis. This includes refining expenditure and revenue forecasts, identifying mitigating actions such as adjusting service levels, determining how reserves can be used to offset the pressures, identifying any issues with respect to property tax collection, and confirming the City's cash position.

A similar analysis will be performed on the City's capital expenditures as more information becomes available. Some capital projects will have to be delayed due to the social distancing, self-isolation practices and the provincially mandated stoppage of non-essential construction announced on April 3, 2020. Other capital projects will need to be accelerated or created if and when the senior levels of government identify stimulus project funding after the COVID-19 crisis is over.

## Conclusion

It is difficult to define costs since we do not know how long this crisis will continue. However, a deficit from budget is inevitable in 2020 as revenues decrease while many costs continue. Since the duration of the crisis is not known, any projections are subject to change as conditions change, direction from other levels of government is received and Council makes decisions which have a financial impact. Current projections suggest a deficit ranging from \$36.2 million (should physical distancing and self-isolation practices remain in effect through to the end of April), to \$51.9 million (if the COVID-19 crisis continues to the end of June), to over \$100 million if things do not begin to return to normal before the end of the year. Pressures are arising primarily from reduced revenues (e.g., from transit, recreation, parking, etc.) offset by reduced costs (e.g., lower diesel prices, less diesel consumption, and staff layoffs).

All four levels of government have provided financial assistance to Mississauga residents and businesses. Further assistance will be necessary as municipalities in Ontario cannot sustain these financial pressures.

Staff are monitoring the City's daily cash position and developing strategies to reduce the 2020 deficit. Staff will also discuss the 2021 budget at Budget Committee on June 24, 2020.

The community will need to rely on the Provincial and Federal governments who have the fiscal firepower to provide necessary programs. For the City's part, by following the financial principles outlined above, we will remain thoughtful and act when financially feasible.


## Attachments

Appendix 1: Listening to the Community

Appendix 2: COVID-19 Economic Response from all Levels of Government

Appendix 3: Summary of Reserves and Reserve Funds

Appendix 4: Section 290 of the Ontario Municipal Act, Yearly Budget, Local Municipalities



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Gary Kent, CPA, CGA, ICD.D, Commissioner of Corporate Services and Chief Financial Officer

Prepared by: Jeffrey Jackson, CPA, CA, Director of Finance and Treasurer

### **Listening to the Community**

The following lists a range of concerns received from City residents and rate payers associations, seniors groups, the economic development advisory board, the tourism board, tele-town halls, 311 calls, robo calls and emails to our elected officials:

- Need for short term liquidity assistance for those who have lost their jobs or closed their businesses
- Need for relief of rent for small businesses
- Need for greater access to information about resources to assist property tax payers
- Declining and eliminated revenues for non-essential businesses
- Communicating with isolated seniors
- Volunteers for grocery delivery for seniors
- Government funding to assist seniors
- Having adequate supply of PPE (Personal Protective Equipment)
- More COVID-19 signage in parks regarding physical distancing
- Multi-lingual communication
- Multi-channel communication (telephone, social media, website) and messaging to those who are not tech-savvy
- Need for child care centres for front line staff
- Requests for online fitness programs
- Festivals and other events affected
- Increase in domestic violence due to isolation
- Increase in careless driving and speeding
- Requests to waive transit and parking fees
- Need for recovery plan



# COVID-19 Economic Response Breakdown from all levels of Government

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## City of Mississauga Response

### Support for Individuals

#### *Transit*

- Effective Saturday March 21, no fare payment will be required until further notice.
  - Rear-only boarding has also been implemented, and each bus will have limited seating capacity to encourage physical distancing.
  - Customers that require the ramp may continue to board at the front.
- Refunds for monthly pass holders are currently being reviewed.

#### *Parking*

- Effective March 19, parking enforcement has been suspended for:
  - on-street time limit offences; such as 5 and 15 hour parking;
  - overnight 2am – 6am parking restrictions; and
  - Overnight permits are not required until further notice.
- All other parking offences will continue to be enforced in order to maintain public safety. This includes fire routes, accessible parking, no stopping, prohibited parking areas, as well as pay and display/metered areas where payment is required.

#### *Property Taxes*

- [Interim Property tax](#) due dates for residential and commercial properties deferred by 90 days in order to assist with cash flow pressures for taxpayers:
  - April payment due in July
  - May payment due in August
  - June payment due in September
- Preauthorized tax payment due dates have also been deferred by 90 days for April, May and June payments. No payments will be withdrawn from taxpayers' bank accounts until the deferral payment date.
- For taxpayers who already provided post-dated cheques for these months, they will not be cashed at that time and will be cashed instead in the respective deferral payment month.
- All property taxes are still required to be paid before the end of the year.
- Notices will be sent to all impacted taxpayers advising of the new due dates and other relevant information.
- Residents and businesses can continue to pay taxes should they choose through their financial institution and electronic banking.
- Landlords are being asked to pass the tax deferral on to their tenants.

#### *Water and Stormwater Charges (Collected by Region)*

- Effective March 25 2020, Stormwater Charge payments have been deferred up to 90 days.
  - Charges will need to be paid before the end of the year.
- 91 day grace period for water bill payments due from April 1, 2020 – June 30, 2020.
  - There will be no late payment charges during this time.
- April 1, 2020 water and wastewater rate increase delayed until July 2020.

## **Support for Businesses / Community Organizations**

### *Rent Deferrals*

- 3 month (April – June) rent deferral in 42 facilities where the City is the landlord.

### *Business Support Website*

- March 27, 2020 Mississauga's Economic Development Office launched a dedicated website page to offer businesses affected by COVID-19 the most up to date information as it becomes available. Website includes:
  - [COVID-19 Business Relief Portal](#), a self-selection tool that helps identify relief programs and incentives that best apply to specific business needs and links to the government source of support.
  - Information on employee support, financial assistance and upcoming webinars and training sessions offered by the City, that include topics such as building online/ecommerce to help Mississauga businesses mitigate the economic impacts as a result of COVID-19.

### *Sign By-law Amendment*

- Effective March 25, 2020 the sign by-law and portable signs on road allowances have been amended during the Declared Emergency in order to provide additional advertising opportunities for businesses and community groups.
  - 3 additional portable signs per street front are added without a permit
  - Maximum display period has been extended from 21 days to 30 days
  - Number of permits per group has been increased from 10 to 15 per year.
- Provision will be in place as long as there is a state of emergency or until June 30, 2020.
  - Community groups will have this provision in place until December 31, 2020.
- Businesses and Community groups can access the portable sign application online using [eSigns](#).

## Region of Peel Response

### Support for Individuals

#### *Utility Rate Relief (Includes Water/Waste Water and Stormwater Charges)*

- Deferral of late payment charges for an additional 91 days after the due date.
- Applicable to late payments of utility bills for those payments due on and after April 1, 2020 to and including June 30, 2020.
- Relief from the imposition of the late payment fee altogether where late payment is made in full on or before the conclusion of the 91 day deferral period.
- Deferral on the water and wastewater rate increase scheduled for April 1, 2020 to July 1, 2020.

#### *TransHelp*

- TransHelp services have been reduced to nil retroactive to March 21, 2020 until such time that MiWay or Brampton Transit resumes charging fares for services.
- TransHelp is not legally permitted to charge more for its service than the highest fare charged by a public sector conventional transit provider in Peel.

#### *Accounts Receivable*

- No monthly penalty charges on outstanding accounts receivable for the period starting April 1, 2020 and through June 30, 2020.

### Support for Community Organizations

#### *Community Investment Program*

- March 26, 2020 Regional Council approved a \$1m increase to the Community Investment Program from existing working fund reserves.
- Funding will provide one-time grants to Peel Community Agencies for immediate needs to assist those who support the number vulnerable during the COVID-19 pandemic.

### Support for Municipalities

#### *Regional and Final Interim Levy*

- Amended the Regional Interim Levy By-law in order to defer payment due dates for 2020 by 3 months starting with the April 3<sup>rd</sup> payment.
  - April 3 changed to July 3
  - April 15 changed to July 15
  - May 8 changed to August 7
  - May 15 changed to August 17
  - June 15 changed to September 15
- This corresponds with changes to the City of Mississauga's tax collection due dates.

## Province of Ontario Response

On March 25, the Province released Ontario's Action Plan to respond to COVID-19, which includes \$17 billion in new support in 2020-21.

- \$3.7 billion to support people and jobs with \$2.0 billion for targeted supports, \$290 million in new tax measures and \$1.5 billion for electricity cost relief;
- \$10 billion to support people and businesses to improve cash flow with \$6 billion in deferred taxes for 100,000 businesses, \$1.9 billion in WSIB expense deferrals for employers, and \$1.8 billion in deferring Municipal Education Property Tax Payments.
- \$3.3 billion for Health Care (details not included below).

## Support for Individuals

### *General support for individuals*

- **Reduced electricity rates**
  - \$5.6 billion for electricity cost relief programs in 2020-21.
  - For a 45-day period, starting March 24, 2020 the provincial government is working to suspend time-of-us (TOU) electricity rates, holding electricity prices to the off-peak rate of 10.1 cents-per-kilowatt-hour. This will be available 24 hours per day, seven days a week to all TOU customers.
  - Will be applied automatically to electricity bills without the need for customers to fill out an application form.
  - Some customers may receive a bill before their utility or unit sub-meter provider is able to implement the price change. In this case they will receive a credit on the following bill.
  - This off-peak TOU electricity rate reduction will apply to residential, small businesses and farm customers who currently pay TOU rates.
  - The Ontario Electricity Rebate will continue to provide a 31.8% rebate on the sub-total bill amount for all existing Regulated Price Plan consumers.
  - The Ontario Energy Board has also extended the winter ban on disconnections to July 31, 2020.
- **OHIP**
  - Effective March 20, 2020 Ontario is waving the three-month waiting period for Ontario Health Insurance Plan (OHIP) coverage.
  - Province will cover costs of COVID-19 services for uninsured people who do not meet the criteria for OHIP coverage.
  - These measures are in addition to Ontario's March 19 announcement that Ontarian's with expiring and expired health cards will continue to have access to insured health services.
- **Mental Health Support**
  - \$12 million in emergency funding to expand online and virtual mental health supports on a range of platforms:

- BounceBack; Kids Help Phone; internet-based Cognitive Behavioural Therapy (iCBT); iCBT for frontline health care workers; and training for brief CBT-based interventions.
- \$2.6 million to hire new psychological and other mental health workers to support Ontario Provincial Police personnel.

### *Support for People Sick or Quarantined or Unable to Work*

- **Job protected leave**

- Employment Standards Amendment Act (Infectious Disease Emergencies), 2020 provides unpaid job-protection leave.
- Available to employees who are not performing the duties of their position for certain reasons related to COVID-19, including personal illness, quarantine or isolation in specified circumstances, concern by the employer that the employee may expose other individuals in the workplace to COVID-19, to provide care or support to certain family members for a reason related to COVID-19, including school or day care closures, or due to certain travel-related restrictions.
- Leave is retroactive to January 25, 2020 and will remain in place until COVID-19 is defeated.
- Does not apply to people in sectors that fall under federal jurisdiction.
- Employers cannot require employees to provide medical notes to prove they are eligible for the leave.

- **Skills Training**

- \$100 million through Employment Ontario for skills training programs for workers affected by the COVID-19 outbreak.
- Province will work with the federal government to find ways to support apprentices and enable businesses to continue to retain skilled trade workers.

### *Support for Families*

- **School and Daycare Closure Costs**

- One-time \$200 payment per child up to 12 years of age, and \$250 for those with special needs including kids enrolled in private schools.
- Ontario is also providing emergency child care options to enable parents who are front-line workers to report for work, such as health care workers, police officers, fire fighters and correctional officers.

### *Support for Seniors*

- **Guaranteed Annual Income System (GAINS)**

- \$75 million in urgent additional support for 194,000 low-income seniors by proposing to double the GAINS maximum payment to \$166 per month for individuals and \$332 per month for couples, for six months starting in April 2020.

- **Subsidized Meals**

- \$10 million to support the coordination of subsidized deliveries of meals, medicines and other essentials by working with local businesses and charities as well as existing health services.

### *Support for Students*

- **Ontario Student Assistance Program (OSAP)**
  - Temporarily suspending the OSAP loan repayments between March 30, 2020 and September 30, 2020. During this time, borrowers will not be required to make any loan or interest payments.

### *Support for Indigenous Peoples and Communities*

- **Emergency Assistance**
  - \$26 million for urban Indigenous people in financial need, costs for health care professionals and critical supplies to reach remote First Nations, as well as funding to address emergency planning and self-isolation needs for people in First Nation communities.

### *Support for Vulnerable People*

- **Social Service relief funding**
  - \$200 million in relief funding for charitable and non-profit organizations, for example food banks, homeless shelters, churches and emergency services such as the Red Cross, to improve their ability to respond to the COVID-19 outbreak.
    - \$148 million directly to Consolidated Municipal Service Managers and District Social Service Administration Boards who will allocate this funding based on local needs.
      - Will help providers such as shelters, food banks, emergency services, charities and non-profits continue to deliver their critical services, hire additional staff and find ways to promote social distancing and self-isolation.
      - The Region of peel will be eligible to receive \$5,988,400 in 2020-2021.
        - 50% of this allocation is targeted to be received April 6, 2020
        - Funding will flow through the Community Homelessness Prevention Initiative
        - Funding may be used to offset eligible costs incurred on or after March 1, 2020.
    - \$52 million for an expanded Emergency Assistance program administered through Ontario Works (OW) to provide financial support to people facing economic hardship.
      - Will cover individuals' needs such as food, rent, informal childcare, and services.
      - This new funding will help individuals and families in financial crisis who are not able to access federal assistance.
      - Suspending the rule that limits emergency assistance provision to only once in a six-month period for individuals and families affected by COVID-19.
      - Allowing people to receive emergency assistance for longer (48 days) without submitting a full Ontario Works application.

- Individuals can [apply online](#) however those already on OW or Ontario Disability Support Program, tourists and visitors are not eligible.
- **Low-Income Energy Assistance Program (LEAP)**
  - \$9 million in direct support to families for their energy bills by expanding eligibility for LEAP and ensuring that their electricity and natural gas services are not disconnected for nonpayment during the COVID-19 outbreak.
- **Residential facilities**
  - \$20 million for residential facilities in developmental services, gender-based services and protective care for children and youth.

## **Support for Businesses**

### *Innovative Solutions*

- **New Ontario Together Fund**
  - \$50 million fund to support companies retool, build capacity or adopt the technological changes needed to produce supplies and equipment for hospitals, long-term care homes and other critical public services.
  - Submissions to this fund can be made online.
  - One-time funding will support solutions that can be actioned quickly and used in 2020 in the fight against COVID-19.

### *More Flexibility and Additional Support*

- **Reduced electricity rates**
  - Same as support to individuals and applies to small businesses and farm TOU customers.
- **Stop the Spread Business Information Line**
  - The province has launched a toll-free line to provide support to Ontario businesses that have questions about the provinces recent emergency order to close at-risk workplaces.
  - 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
  - Service is available Monday-Sunday from 8:30am – 5:00pm
  - [List of essential workplaces](#)

### *Tax and Other Payment Relief*

- **Education Property Tax**
  - Deferral of upcoming quarterly (June 3) remittance of education property tax to school boards by 90 days.
  - Will provide municipalities with the flexibility to in turn, provide property tax deferrals of over \$1.8 billion to local residents and businesses. This is further to Council's request to defer tax payments for school boards.

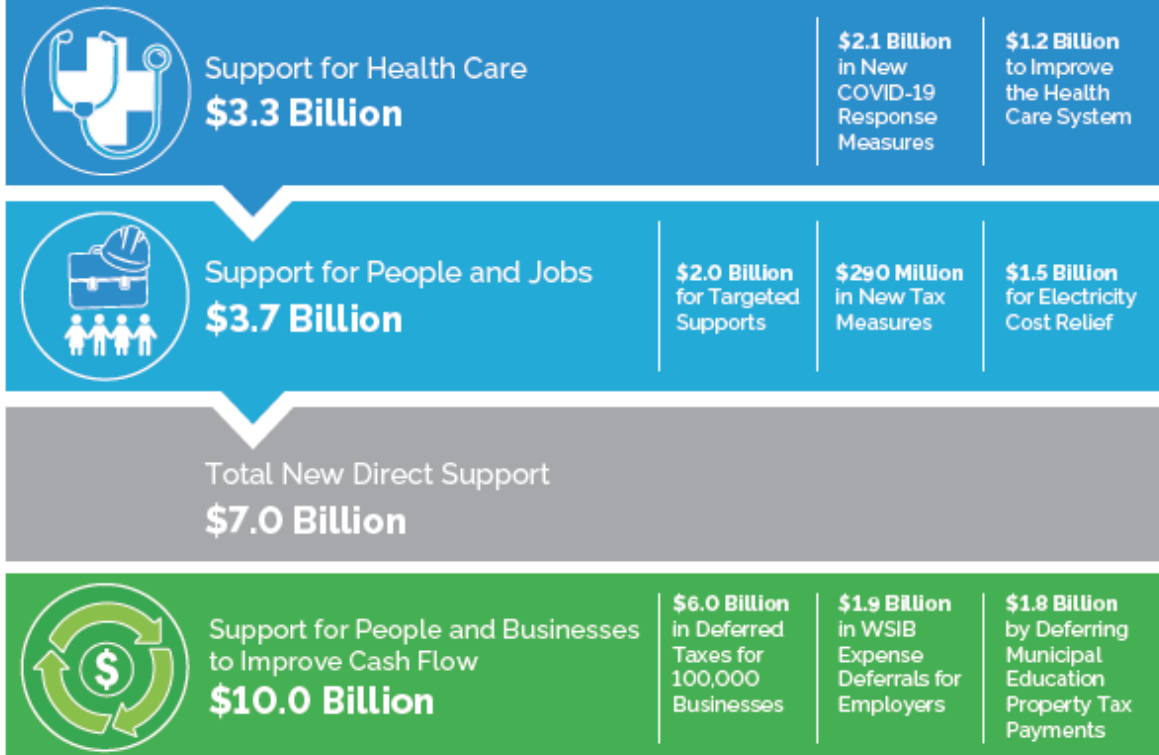
- To ensure this does not have a financial impact on school boards, the Province will adjust payments to school boards to offset the deferral.
- **Employer Health Tax (EHT)**
  - Cutting taxes by \$355 million for approximately 57,000 employers through proposed temporary increase to the EHT exemption. From \$490,000 to \$1 million for 2020.
  - With this plan, more than 90% of private-sector employers would not pay EHT in 2020.
  - Eligible private-sector employers with annual payrolls up to \$5 million would be exempt from EHT on the first \$1 million of total Ontario remuneration in 2020. The maximum EHT relief from the exemption would increase by \$9,945 to \$19,500 for 2020 for eligible employers.
  - About 57,000 private-sector employers would pay less EHT, including about 30,000 who would not pay any EHT for 2020, effectively eliminating EHT for these employers for one year.
  - The exemption would return to its current level of \$490,000 on January 1, 2021.
- **Corporate Income Tax Credit**
  - To support business investment in regions of the province where the employment growth has been significantly below the provincial average, Ontario is proposing a new 10% refundable Corporate Income Tax credit.
  - The Regional Opportunities Investment Tax Credit would be available to eligible businesses that construct, renovate or acquire qualifying commercial and industrial buildings in designated regions of the province, saving them up to \$45,000 in the year.
- **Municipal Emergency Act, 2020**
  - Act will ensure that the delivery of goods to Ontario's businesses and consumers isn't impacted by municipal noise by-laws.
  - Legislation also gives municipalities the ability to fully conduct Council, local board and committee meetings electronically when face with local and provide-wide emergencies.
- **Provincially administered taxes**
  - Five-month interest and penalty-free period to make payments for the majority of provincially administered taxes, providing \$6 billion in relief.
  - This will begin April 1, 2020 and will continue up until August 31, 2020.
  - It is expected to make available \$6 billion to improve the cash flows on Ontario businesses
  - Province will not apply any penalty or interest on any late-filed returns or incomplete or late tax payments under select provincially administered taxes, such as the EHT, Tobacco Tax and Gas Tax.
  - This initiative and relief period complement the relief from interest and penalties from not remitting Corporate Income Tax owing that was announced by the federal government on March 18, 2020.



- **Workplace Safety and Insurance Board (WSIB)**
  - Providing \$1.9 billion in new financial relief by the WSIB allowing employers to defer payments for a period of six months (March 31 – August 31 2020)
  - All employers covered by the WSIB's workplace insurance are automatically eligible for the financial relief package. Schedule 1 employers with premiums owed to the WSIB will be allowed to defer reporting and payments until August 31, 2020.
  - Deferral will also apply to Schedule 2 businesses that pay WSIB for the cost related to their workplace injury and illness claims. In addition, no interest will be accrued on outstanding premium payments and no penalties will be charged during this six-month deferral period.
- **Property Tax Assessment**
  - Postponement of the planned property tax reassessment for 2021.
  - This will provide stability for Ontario's property taxpayers and municipalities.
  - Assessments for the 2021 taxation year will continue to be based on the same valuation date that was in effect for the 2020 taxation year.
  - This measure will not have a financial impact on municipalities, because MPAC will continue to maintain the assessment roll and ensure that it is updated to reflect changes such as new construction.

## Highlights of *Ontario's Action Plan:* *Responding to COVID-19*

Ontario's Action Plan: Responding to COVID-19 **\$17 Billion in New Support in 2020–21**



## Government of Canada Response

Economic Measures announced March 18, 2020 will provide up to \$52 billion in direct support and \$55 billion in tax deferral. Emergency legislation to approve this \$107 billion COVID-19 aid package was passed in the House of Commons March 24, 2020.

Since this package was announced, additional support measures have been announced for which Parliament has been recalled to approve.

A breakdown is provided [below](#).

### Support for Individuals

#### *General support for individuals*

- **Increasing the Canada Child Benefit for 2019-20 benefit year**
  - Families will receive an extra \$300 per child as part of April payment.
  - In total, this measure will deliver almost \$2 billion in extra support.
- **Extra time to file income taxes**
  - For individuals – due date deferred to June 1, 2020
  - For trusts – due date deferred to May 1, 2020 for taxation year ending Dec. 31 2019
  - CRA will allow all taxpayers to defer, until after August 31, 2020, the payment of any income tax amounts that become owing on or after March 18 and before September 2020.
  - No interest or penalties will accumulate on these amounts during this period.
- **Mortgage support**
  - CMHC and other mortgage insurers offer tools to lenders that can assist homeowners who may be experiencing financial difficulty. These include payments deferral, loan re-amortization, capitalization of outstanding interest arrears and other eligible expenses, and special payment arrangements.
  - CMHC is providing flexibility for homeowners facing financial difficulties to defer mortgage payments on homeowner CMHC-insured mortgage loans.
  - Canada's large banks have confirmed working with customers on a case-by-case basis, which will include up to a 6-month payment deferral for mortgages, and the opportunity for relief on other credit products.

#### *Support for people facing unemployment, unable to work, those who are sick or quarantined*

- **Improved access to Employment Insurance**
  - Waiving one-week waiting period for individuals in imposed quarantine that claim EI sickness benefits. In effect as of March 15 2020

- **Canada Emergency Response Benefit (CERB)**

- Will provide \$2,000 per month for 4 months for workers who lose their income as a result of COVID-19. Benefit is available retroactive to March 15 through October 3 2020.
- CERB covers Canadians who have:
  - Lost their job, are sick, quarantined, or taking care of someone who is sick with COVID-19;
  - Working parents who must stay home without pay to care for children who are sick or at home because of school and daycare closures.
  - Those who are wage earners, contract workers, and self-employed individuals who would not otherwise be eligible for Employment Insurance (EI).
  - Workers still employed, but are not receiving income because of disruptions to their work situation due to COVID-19
- Individuals will be able to apply starting April 6<sup>th</sup> at [www.Canada.ca](http://www.Canada.ca)
- Those who have already presented an EI request prior to April 6<sup>th</sup> are not required to register online – this will be completed automatically.
- Payment can be received by mail (receive payment in 10 days) or direct deposit (receive payment in 3 days)
- CERB payments will be paid every four weeks and be available from March 15, 2020 until October 3, 2020.
- CERB requires those receiving the benefit to check in every month to indicate that they are still out of work.
- Those who are already receiving EI regular and sickness benefits do not need to apply. If their EI benefits end before October 3, 2020 they could apply once their EI benefits cease.
- Those who are eligible for EI regular and sickness benefits would still be able to access their normal EI benefits, if still unemployed, after the 16-week period covered by the CERB.
- Individuals can only receive the CERB or the wage subsidy but not both.
- CRA is available over the phone to offer assistance to those that need help in applying.

#### *Support for People Sick or Quarantined or \*Unable to Work*

- **Improved access to Employment Insurance Sickness Benefit**

- For Canadians without paid sick leave (or similar workplace accommodation), who are sick, quarantined or forced to stay at home to care for children, the Government is waving the requirement to provide a medical certificate to access EI sickness benefits.

#### *Support for People with low and modest income*

- **Increased GST credit ([GSTC](#)) in 2020**

- A one-time special payment that will double the maximum annual GSTC payment amount for the 2019-20 benefit year. Payment to be received early April.

- Average boost to income for a single individual is \$400, and close to \$600 for couples.
- Measure will inject \$5.5 billion into the economy.
- **Enhancing the Reaching Home initiative**
  - \$157.5 million to continue to support people experiencing homelessness during COVID-19.
- **Support women's shelters and sexual assault centres**
  - Up to \$50 million to help support capacity in order to manage or prevent an outbreak in their facilities.
  - This includes funding for facilities in Indigenous communities.
- **New Indigenous Community Support Fund**
  - \$305 million for new distinctions-based Indigenous Community Support Fund to address immediate needs in First Nations, Inuit and Metis Nation communities.
- **Meeting Urgent Food Needs**
  - \$100 million to meet the urgent food needs of vulnerable Canadians including those living in Indigenous and northern communities.
  - Funding will help support organizations like Food Bank Canada, Breakfast Clubs, Salvation Army, etc., to ensure they can buy and deliver food to those who need it most.

### *Support for Seniors*

- **Eased rules for Registered Retirement Income Funds**
  - Reducing required minimum withdrawals from Registered Retirement Income Funds by 25% for 2020.
  - Similar rules would apply to individuals receiving variable benefit payments under a defined contribution Registered Pension Plan.
- **New Horizons for Seniors Program**
  - \$9 million provided through the New Horizons for Seniors Program to United Way Canada for local organizations to support practical services to Canadian seniors.
  - These services could include the delivery of groceries, medications, or other needed items, or personal outreach to assess individuals' needs and connect them to community supports.

### *Support for Students and Recent Graduates*

- **Moratorium on the repayment of Canada Student Loans**
  - Six-month interest-free moratorium on the repayment of Canada Student Loans for all individuals currently in the process of repaying these loans. This is applicable until September 30, 2020.

### *Support for Youth*

- **Kids Help Phone**

- \$7.5 million provided to Kids Help Phone for more counsellors and trained volunteers in order to provide mental health support to children and youth impacted by the school closures and reduced access to social support and community resources.

## Support for Businesses

### *Avoid Layoffs*

- **Extending work-sharing programs**

- Provides EI benefits to workers who agree to reduce their normal working hours.
- These measures extend the duration of Work-Sharing agreements by an additional 38 weeks, for a total of 76 weeks.
- Temporary Special Measures are effective March 15, 2020 to March 14, 2021.
- Businesses are eligible to apply if they are experiencing a downturn in business activity related to the global outbreak of COVID-19, and have:
  - Work-sharing agreements signed between March 15, 2020 and March 13, 2021
  - Work-sharing agreements that began, or ended between March 15, 2020 and March 14, 2021; and
  - Work-sharing agreements that ended between June 23, 2019, and March 14, 2020 and are in their mandatory cooling-off period.
- The mandatory waiting period has also been waived so that employers with a recently expired agreement may immediately apply for a new agreement, without waiting between applications and ease Recovery Plan requirements for the duration of the WS agreement.
- Applications can be submitted by email, and should be done 30 days in advance of when you want the temporary special measure to begin.

- **Canada Emergency Wage Subsidy Program (CEWS)**

- A wage subsidy program for a period of three months.
- The subsidy amount for a given employee on eligible remuneration paid between March 15 and June 6, 2020 would be the greater of:
  - 75 per cent of the amount of remuneration paid, up to a maximum benefit of \$847 per week; and
  - the amount of remuneration paid, up to a maximum benefit of \$847 per week or 75 per cent of the employee's pre-crisis weekly remuneration, whichever is less.
- Program is available to Canadian businesses big and small, individuals, partnerships and corporations that are not publicly funded. This includes the hospitality sector and all Canadian non-profits and charities.

- The subsidy is only available to eligible employers that see a 30% decrease in gross revenue from the same time last year will be determined by comparing revenues from last year for March, April and May.
- There is no overall limit on the subsidy amount that an eligible employer may claim.
- Businesses will need to apply each month and attest that they are doing everything they can to pay the remaining 25% of the employees' wages. Knowing this may not always be possible, the system will be flexible.
- There will be severe consequences for those who attempt to use this funding for fraudulent purposes.
- Eligible Employers can apply through CRA's *My Business Account* portal.
  - Funding will be available in approximately 6 weeks.
- Estimated cost of this program is \$71 billion, and will reduce the cost of the Canada Emergency Response benefit to \$24 billion.

### *Access to Credit*

- **Establishing a [Business Credit Availability Program \(BCAP\)](#)**
  - Program will allow the Business Development Bank of Canada (BDC) and Export Development Canada (EDC) to provide more than \$10 billion of additional support, largely targeted to small and medium-sized businesses.
  - The near term credit available to farmers and the agri-food sector will also be increased through Farm Credit Canada.
  - BCAP is currently available. Businesses interested in accessing the BCAP should first contact their financial institution, which will contact BDC and/or EDC where appropriate.
- **Lowering the Domestic Stability Buffer**
  - Lowered by 1.25% of risk-weighted assets, effective immediately.
  - This action will allow Canada's large banks to inject \$300 billion of additional lending into the economy.
- **Cutting the interest rate to 0.25%**
- **Canada Emergency Business Account**
  - Access to Loans: \$40,000 loans which will be guaranteed by the Government. Loans will be interest free for the first year.
    - Loans will be available beginning April 6, 2020.
    - \$10,000 will be forgivable if business fully repays \$30,000 on or before December 31, 2022.
  - An additional \$12.5 billion will be provided to EDC and BDC to assist small and medium sized businesses with cash flow

### *Supporting financial market liquidity*

- **Launch an Insure [Mortgage Purchase Program](#)**
  - Under this program, the government will purchase up to \$50 billion of insured mortgage pools through CMHC. This will provide long-term stable funding to banks and mortgage lenders, help facilitate continued lending to Canadian consumers and businesses, and add liquidity to Canada's mortgage market.
  - Bank of Canada will broaden eligible collateral for its term repo facility to include the full range of collateral eligible under the Standing Liquidity Facility, with the exception of the non-mortgage loan portfolio.
  - The Bank also announced that it stands ready, as a proactive measure, to provide support to the Canada Mortgage Bond (CMB) market so that this important funding market continues to function well. This would include, as required, purchases of CMBs in the secondary market. Similar to the increase in [Government of Canada bond buybacks](#), this will support market liquidity and price discovery.
  - The Government will enable these measures by raising CMHC's legislative limits to guarantee securities and insure mortgages by \$150 billion each.

### *More Flexibility*

- **More time to pay income taxes**
  - CRA will allow all taxpayers to defer, until after August 31, 2020, the payment of any income tax amounts that become owing on or after March 18 and before September 2020.
  - No interest or penalties will accumulate on these amounts during this period.
  - CRA will not contact any small or medium (SME) businesses to initiate any post assessment GST/HST or Income Tax audits for the next four weeks.
  - CRA will temporarily suspend audit interaction with taxpayers and representatives for the vast majority of businesses.
  - Liaison Officer Services will be available over the phone.
- **Deferral of GST / HST**
  - Deferral of GST/HST for duty imports until June, which is equivalent to \$30 billion in interest free loans.



### **Economic Response Plan: 2020-2021 Cost/Impact**

<b>Direct Support Measures</b>	<b>2020-2021 Cost/Impact</b>
Canada Emergency Response Benefit	\$24 billion
Enhanced GST Credit	\$5.5 billion
Enhanced Canada Child Benefit	\$1.9 million
Temporary Business Wage Subsidy	\$975 million
Canada Emergency Wage Subsidy	\$71 billion
Canada Student Loan Payments	\$190 million
Support for Indigenous Communities	\$305 million
Support for the homeless (through Reaching Home)	\$157.5 million
Support for women's shelters and sexual assault centres, including or facilities in Indigenous communities	\$50 million
Support for Seniors (2019-20), Children and Youth	\$16.5 million
Lower RRIF Minimum Withdrawal	\$495 million
Support for the Air Transportation Sector	\$331.4 million
<b>Total Direct Support Measures</b>	<b>\$105 billion</b>

<b>Business Credit Availability Program (BCAP) through BDC and EDC</b>	<b>2020-2021 Cost/Impact</b>
Small and Medium-sized Enterprise Loan and Guarantee Program	\$40 billion
Canada Emergency Business Account	\$25 billion
Credit and liquidity support for the Agricultural Sector	\$5.2 billion
Credit and liquidity support through the Bank of Canada, OSFI, CMHC, and commercial lenders	\$500 billion +
<b>Total BCAP, other credit and liquidity support</b>	<b>\$570 billion +</b>

<b>Health and Safety</b>	<b>2020-2021 Cost/Impact</b>
COVID-19 Response Fund (including \$500 million in support for Provinces and Territories (2019-2020))	\$1.1 billion
Funding for Personal Protective Equipment and Supplies (of which, \$200 million in 2019-20)	\$2 billion
<b>Total Health and Safety support</b>	<b>\$3 billion</b>

<b>Liquidity Support</b>	<b>2020-2021 Cost/Impact</b>
Income Tax Payment Deferral until September	\$55 billion
Sales Tax Remittance and Customs Duty Payments Deferral	\$30 billion
<b>Total CRA/CBSA liquidity support</b>	<b>\$85 billion</b>

### Additional Detail on Mississauga's Reserves & Reserve Funds

Reserves & Reserve Funds	Description	2019 Year-End Target \$000s	Explanation of Target	Balance Dec. 31/19 \$000s	Comments
<b>Stabilization Reserves</b>					
Arts	Provides funding for Arts in Mississauga.	n/a	n/a	1,694	Sstabilizes funding in any given year.
Building Permit	Provides revenue stablization for Building Permits, as these can fluctuate significantly from year to year based on economic and market conditions.	13,400	-The average annual Building Permit revenue of the two highest revenue years in the last five years - BMA Consultants recommended 100%-200% of annual operating costs	18,312	The balance of this Reserve increased over target in 2019; the year-end corporate report on R&RFs will make recommendations regarding this Reserve. *
Elections	Provides funding for City elections.	n/a	n/a	2,381	Smooths the cost of holding municipal elections every four years. *
Fiscal Stability	Provides for unforeseen or uncertain liabilities in various areas (unforeseen events such as COVID-19, assessment appeals, legal settlements, etc.).	59,700	- 10% of own-source revenues, less target for building permit and winter maintenance - BMA Consultants recommended 10-15% of own-source revenues	51,253	This Reserve will be instrumental in contributing to the 2020 COVID-19 Pandemic pressures *
Winter Maintenance	Provides expenditure stabilization for Winter Maintenance costs, as these can fluctuate significantly from year to year based on winter conditions.	7,600	- 33% of last 5-year average winter maintenance costs - BMA consultants recommended 25%-50% of 5-year average	11,257	The balance of this Reserve has been over-target; consideration is being given to expand the use of this Reserve to help fund in-year pressures due to all types of climate, not just winter weather *
Stormwater (accrual management)	Stabilizes annual stormwater receipts.	n/a	n/a	9,517	Smooths the impact of timing of receipts.

### Additional Detail on Mississauga's Reserves & Reserve Funds

Reserves & Reserve Funds	Description	2019 Year-End Target \$000s	Explanation of Target	Balance Dec. 31/19 \$000s	Comments
<b>Other Reserves Established by Council</b>					
Tax Reserve Funds	Primarily tax-capital RF, which provides funds for state of good repair capital projects, as well as some City building.	98,500	- Equivalent to one-year's worth of the 10-year average of the tax-supported capital expenditure requirements	190,846	The tax-capital RF is temporarily over target but is projected to be at target for the next 10 years on average (this is managed annually through the Business Plan and Budget).
Operating Reserve Funds	Various other operating reserve funds have been established by Council to manage future or uncertain expenditures and liabilities, such as insurance claims, WSIB claims, etc.	65,000	- this is a summary of individual targets established based on specifics such as actuarial valuations of future liabilities	81,486	These Reserves are currently over target but projected to be significant pressures for the City in future years, and are being managed through the City's Long Range Financial Planning.
Stormwater Reserve Funds	Provides funds for stormwater capital projects and future pipe-replacement projects	not yet finalized	- The stormwater capital target is equivalent to one-year's worth of the 10-year average of storm-supported capital expenditures; Pipe reserve target is still being determined and will be informed through the City's Asset Management Plan	65,180	These Reserves are funded through the Stormwater Rate; funding and expenditures should not be mingled with the City's tax-rate funded budget.

### Additional Detail on Mississauga's Reserves & Reserve Funds

Reserves & Reserve Funds	Description	2019 Year-End Target \$000s	Explanation of Target	Balance Dec. 31/19 \$000s	Comments
<b>Statutory Reserves</b>					
DC & Other Development-Related Funds	Segregates funds collected from developers for Development Charges, Cash-in-lieu of Parkland, developer contributions, etc.	various	Targets for DCs are established to ensure project plans remain affordable in the long run.	262,735	These Reserve Funds are used to fund development-related growth in the City, and are governed by the Planning Act and the Development Charges Act.
Gas Tax and Transit Reserve Funds	Segregates funding collected for the Federal and Provincial Gas Tax as well as other transit-related funding.	various	Targets for Gas Tax RFs are established to be equal to one-year's funding, in order to ensure the City can manage future fluctuations in funding	156,246	These Reserve Funds are used according to FGT and PGT rules.
Stormwater Development Charge Reserve Funds	Segregates funds collected from developers for Stormwater Development Charges.	various	Targets for DCs are established to ensure project plans remain affordable in the long run.	33,346	These Reserve Funds are used to fund development-related growth in the City, and are governed by the Planning Act and the Development Charges Act.
Other Reserve Funds	The City maintains a variety of other Reserve Funds for special purposes (e.g., Municipal Accommodation Tax, Emerald Ash Borer, etc.)	n/a	n/a	21,128	These Reserve Funds are used for specific purposes for which the funds were collected.

\* stabilization reserves assisting with in-year pressures

### **Section 290 of the Ontario Municipal Act, Yearly Budget, Local Municipalities**

Section 290 of the Ontario Municipal Act, Yearly Budget, Local Municipalities Section C specifies that a deficit from the previous year must be provided for in the current year's budget (ie. The next budget year from when the deficit was incurred). However, the deficit can be reduced in any given year by increasing revenues or decreasing expenses in that year or by funding the deficit in year through the transfer of reserve funds.

Allowance

(4) In preparing the budget for a year, the local municipality,

(a) shall not include in the estimated revenues described in paragraph 1 of subsection (2) the estimated proceeds of any borrowing during the year;

(b) shall treat as estimated revenues any surplus of any previous year that resulted because,

(i) revenues for that year were greater than the amount described in paragraph 1 of subsection (2) for that year, or

(ii) expenses for that year were less than the amount described in paragraph 3 of subsection (2) for that year;

(c) shall provide for any deficit of any previous year that resulted because,

(i) revenues for that year were less than the amount calculated by deducting for that year the amount described in paragraph 2 of subsection (2) from the amount described in paragraph 1 of subsection (2), or

(ii) expenses were incurred by the municipality that were not in the budget for that year and were not paid for that year from a reserve, sinking or retirement fund;

(d) shall provide for the cost of the collection of taxes and any abatement or discount of taxes;

(e) shall provide for taxes and other revenues that in the opinion of the treasurer are uncollectible and for which provision has not been previously made;

(f) may provide for taxes and other revenues that it is estimated will not be collected during the year; and

(g) may provide for such reserve funds as the municipality considers necessary. 2009, c. 18, Sched. 18, s. 2.

# City of Mississauga Corporate Report



9.2.

Date: April 1, 2020

To: Mayor and Members of Council

From: Andra L. Maxwell B.A., LL.B., CIC.C, City Solicitor

Originator's files:

Meeting date:  
April 8, 2020

## Subject

***Bonusing: An overview of section 106 of the Municipal Act, 2001***

## Recommendation

That the report of the City Solicitor dated March 31, 2020 titled "Bonusing: An overview of section 106 of the *Municipal Act, 2001*, be received for information.

## Report Highlights

- A municipality's power to make grants and provide economic development services is subject to the anti-bonusing provisions contained in s. 106 of the *Municipal Act, 2001*
- Municipalities are prohibited from using tax funds to give an obvious advantage to one or a few commercial or industrial enterprises over their business competitors and can be challenged in the Superior Court of Justice for violating s.106
- "bonusing" is not clearly defined and each proposed contract or financial arrangement must be examined on its own facts to determine whether it violates the Act.
- Arrangements that provide a financial benefit to one or a small group of commercial enterprises and give them an advantage over their competitors, without a clear corresponding benefit to the municipality, are most likely to constitute improper bonusing.
- Arrangements that benefit an entire class of businesses, across an entire municipality, while maintaining a level playing field among competitors, are less likely to be challenged for bonusing.

## Background

Whenever a municipality enters into a commercial agreement with a for-profit enterprise (lease, land transfer, grant, funding arrangement etc.) or contemplates providing financial aid, it must take care not to violate the anti-bonusing provisions contained in s. 106 of the *Municipal Act*,

2001 (the “Act”), otherwise, it is subject to a challenge in the Superior Court of Justice. Municipalities are creatures of statute and only possess the powers granted to them by the Province of Ontario. A municipality does not have jurisdiction to pass a by-law, or grant assistance, that is prohibited by the Act.

The portion of the Act entitled “Economic Development Services” provides municipalities with several tools, including the power to establish programs for small business, as well as a general power to make grants or give financial aid to individuals or groups under s. 107. The ability to make grants, however, is subject to the s. 106 anti-bonusing provisions, which prohibits municipalities from granting assistance or a bonus to commercial or industrial enterprises:

**106** (1) Despite any Act, a municipality shall not assist directly or indirectly any manufacturing business or other industrial or commercial enterprise through the granting of bonuses for that purpose.

(2) Without limiting subsection (1), the municipality shall not grant assistance by,

- (a) giving or lending any property of the municipality, including money;
- (b) guaranteeing borrowing;
- (c) leasing or selling any property of the municipality at below fair market value; or
- (d) giving a total or partial exemption from any levy, charge or fee.

### **Exception**

(3) Subsection (1) does not apply to a council exercising its authority under subsection 28 (6), (7) or (7.2) of the *Planning Act* or under section 365.1 of this Act

## **Comments**

The purpose of s. 106 is to prevent a municipality from using tax funds to give an unfair advantage to one commercial or industrial enterprise over its business competitors.

The term “bonus” is not defined, but has historically been interpreted as “conferring an obvious advantage or undue benefit” to private parties within the commercial market place. The courts have recognized that all municipal contracts confer an advantage or benefit of some kind and that public-private partnerships, for example, should be permitted so long as the municipality is receiving a corresponding benefit under the arrangement. When considering whether there has been a violation, the court will take a wholistic approach and look at an entire project, initiative or transaction to determine whether there has been bonusing, rather than focusing on a single element of the arrangement.

There is no exhaustive list of what constitutes bonusing and each situation must be considered on its own facts. Some features which suggest there has been bonusing are:

- the assistance is given to an industrial or commercial enterprise, as opposed to an individual or a non-profit entity;
- only one or a few enterprises in the municipality have been benefitted, as opposed to a scheme of general application that benefits all enterprises of the same type across the entire municipality;
- property is leased or sold by the municipality at less than fair market value, with no obvious benefit to the municipality in return;
- the municipality is “giving something for nothing”; and/or
- the assistance will give the recipient an advantage over its competitors in the market place.

When municipalities have been challenged for bonusing, the courts have generally shown deference to the policy decisions and judgment of municipal councils concerning economic development. The courts have held that the power of a municipality to make grants under s. 107 of the Act should be interpreted broadly, while the prohibitions against bonusing in s. 106 should be interpreted narrowly. This means that, in an ambiguous situation, the court will lean towards finding that the arrangement is permitted, rather than leaning towards finding it prohibited bonusing.

## Financial Impact

N/A

## Conclusion

Bonusing is a grey area, open to interpretation. Each proposal must be evaluated on its own facts to determine whether it violates s. 106. Arrangements that provide a financial benefit to one or a small group of commercial enterprises and give them an advantage over their competitors, without a clear corresponding benefit to the municipality are most likely to constitute improper bonusing. Arrangements that benefit an entire class of businesses, across an entire municipality while maintaining a level playing field among competitors, are less likely to be challenged for bonusing.




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Andra L. Maxwell B.A., LL.B., CIC.C, City Solicitor

Prepared by: Andra Maxwell, City Solicitor



# City of Mississauga Corporate Report



9.3.

Date: April 2, 2020

To: Mayor and Members of Council

From: Gary Kent, CPA, CGA, ICD.D, Commissioner of  
Corporate Services and Chief Financial Officer

Originator's files:

Meeting date:  
April 8, 2020

## Subject

**Municipal Accommodation Tax**

## Recommendation

1. That the report of the Commissioner of Corporate Services and Chief Financial Officer dated April 2, 2020 entitled Municipal Accommodation Tax be received.
2. That the Municipal Accommodation Tax remittances due on March 31, April 30 and May 31, 2020 be deferred to June 30, July 31 and August 31, 2020, respectively.

## Background

In 2018, the City began collecting a 4% Municipal Accommodation Tax (MAT) on the purchase of accommodations provided for a continuous period of 30 days or less. MAT is remitted to the City through a self-reporting process where each hotelier reports and remits monthly the amount of MAT collected in the previous month based on occupancy.

A state of emergency has been declared by the Province of Ontario due to the COVID-19 pandemic. Many requests are being received by the City for financial assistance. Hoteliers have been significantly impacted and are requesting assistance.

## Comments

There are currently 59 properties and Airbnb remitting MAT, the average total monthly remittance since April 2018 is \$992,000 from hoteliers and \$40,000 from Airbnb. Monthly remittance is for MAT collected in the previous month, for example, payments remitted in March would be for MAT collected in February. The remittance received to date for 2020 is shown below.

Council	2020/04/02	2
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Month	Remittance on Time	Remittance Late	Not Remitted	Total Accounts	MAT Received
January	40	10	9	59	\$792,982
February	23	0	36	59	\$477,118

Twenty-three hotels have remitted their February MAT which was due on March 31<sup>st</sup>.

The current COVID-19 event is impacting hotels. Travel restrictions, event cancellations and the requirement for residents to self-isolate have significantly reduced purchased short-term accommodations. Staff have received a number of requests from hoteliers to have their March remittance deferred.

A survey of other municipalities that impose MAT indicates that currently Markham is the only municipality to opt to suspend the collection of MAT from April 1 to December 31, 2020. Toronto is currently not offering any form of relief for their MAT program. Ottawa is not contemplating any form of relief and to date have not been approached by the industry. Major hotels in Ottawa have chosen to close and occupancy is at about 10%.

Staff is recommending deferring MAT remittances due on March 31, April 30 and May 31, 2020 by 90 days in order to assist hoteliers with cash flow. This deferral would include the April 30<sup>th</sup> remittance from Airbnb properties. Staff will address remittances that have been received for March 31<sup>st</sup> on an individual basis to meet the needs of the hoteliers.

This is consistent with the deferral provided to residents and businesses for interim taxes and stormwater charges. It is also consistent with deferrals being offered by the federal government to businesses for HST, GST and income tax remittance.

## Financial Impact

The current COVID-19 event is creating a pressure on the MAT revenue resulting from the significant decrease in purchased accommodation. At this time it is difficult to predict the extent of the potential lost revenue. There is also a risk that the deferred MAT revenue will not be collected if any of the hoteliers permanently close as a result of the pandemic.

## Conclusion

MAT is remitted to the City through a self-reporting process where each hotelier reports and remits monthly the amount of MAT collected in the previous month based on occupancy. MAT is revenue generated for the City through guests purchasing short term accommodation within the City. Hoteliers have been significantly impacted by the COVID-19 pandemic. Staff recommends

Council	2020/04/02	3
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deferring collection of the MAT for the months of March, April and May by 90 days. Suspending MAT would result in additional lost revenue.

## Attachments

N/A



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Gary Kent, CPA, CGA, ICD.D, Commissioner of Corporate Services and Chief Financial Officer

Prepared by: Louise Cooke, Manager, Revenue and Taxation

# City of Mississauga Corporate Report



<p>Date: April 3, 2020</p> <p>To: Mayor and Members of Council</p> <p>From: Paul Mitcham, P.Eng, MBA, Commissioner of Community Services</p>	<p>Originator's files:</p> <hr/> <p>Meeting date: April 8, 2020</p>
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## Subject

**Measures for Festivals, Events and Gatherings within City Facilities and Parks related to COVID-19**

## Recommendation

That the Corporate Report entitled "Measures for Festivals, Events and Gatherings within City Facilities and Parks related to COVID-19" dated April 3, 2020 from the Commissioner of Community Services be received for information.

## Background

Due to restrictions on mass gatherings and the messaging from Peel Public Health to maintain physical distancing, Council has requested that staff prepare a report that summarizes the implications of cancelling festivals, events and gatherings of more than 100 people within city facilities and parks, up to July 3, 2020.

Other municipalities, notably the City of Toronto, have previously announced the cancellation of gatherings on City property until June 30, 2020. With the vast number of Canada Day celebrations within the City of Mississauga, staff have included events up to July 3 to provide clarity and direction for these events.

## Comments

For the period of April 15 – July 3, 2020 there are approximately 368 festivals, events and other gatherings with an expected attendance of over 100 people scheduled to take place in city facilities and parks. This estimate is based on data available through the City's booking system (CLASS) as well as information provided by internal departments including Recreation, Culture, Library, Parks, Forestry & Environment, Transportations & Works, and Corporate & Department Communications. These gatherings include approximately 111 city-run events and activities and 257 third party bookings ranging in scope such as private parties, picnics, community

Council	2020/04/03	2
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recitals and performances, graduation ceremonies, sports tournaments, annual community walk-a-thons, as well as major festivals, celebrations and events that are attended by a significant number of residents and visitors.

Examples of festivals, events and activities impacted by a decision to cancel gatherings on city property up to July 3, 2020 are summarized below:

- 6 Canada Day events (July 1, 2020) including the city-run event at Mississauga Celebration Square (attendance up to 80,000) and 5 community-led celebrations across the City that all feature fireworks and attract significant crowds (over 30,000)
- Approximately 111 City-run events and activities including: National Youth Week, Older Adult Expo, Mother's Day Tea, Mississauga Celebration Square's Pep Rally, Lions Farmers Market, Read to Succeed, Movie Night, Fresh Air Fitness as well as various workshops, open houses, official openings, outreach and community engagement initiatives offered by all divisions. Spring beautification and "clean up" programs, gardening and Earth Days activities would also be impacted.
- Approximately 98 recitals, performances and graduation ceremonies at locations including the Living Arts Centre, Meadowvale Theatre, and Paramount Fine Foods Centre.
- Approximately 26 Cause Related Walk-a-Thon, Runs and Biking Events.
- Approximately 23 sport tournaments.
- Approximately 11 community/third party major events and festivals in city parks and roads including the Khalsa Day Parade, Mississauga Marathon, Carassauga, Mississauga Waterfront Festival, Bread and Honey Festival and Veg Fest.
- Approximately 13 community/third party major events at Mississauga Celebration Square including Taste of Goa, Ire Music Festival, Food Truck Friday's, Mississauga Polish Day, Vesak Buddha's Birthday and Lions Farmers Market.
- Approximately 215 various private parties (e.g. wedding and baby showers, family picnics) and smaller community events and celebrations.

Staff have been contacted by several community organizations and event organizers who have already made the decision or who are weighing their options and considering the possibility of altering, postponing or cancelling their events and activities based on current information and ongoing uncertainty regarding restrictions and impact related to COVID-19. Some of these events include the Mississauga Marathon, Carassauga, Khalsa Day Parade, Veg Fest, Streetsville Bread & Honey Festival, Rib Fest, and various sports tourism events including First Robotics Provincial Championships, Karate Canada Junior National Championship, and the Canadian Chess Open & Canadian Youth Championships. Many promoters that rent space to present shows such as the Harlem Globetrotters and Baby Shark have also reached out and proactively rescheduled or cancelled their shows.

There are currently 313 bookings in city facilities and parks for festivals, events and other gatherings with an expected attendance of over 100 people between July 3, 2020 and the end of the calendar year. While there is some availability to accommodate requests to reschedule

small bookings, there is limited capacity in city facilities and parks to accommodate larger or more complex festivals and events. For example, Mississauga Celebration Square is already fully booked for the season. September is a popular month for outdoor festivals and events and there is limited availability to reschedule or accommodate new or reschedule bookings. The outdoor special events season is weather dependent and typically ends by Thanksgiving with the exception of some seasonal activities in November and December. It is very likely that events will not be able to find an alternative date and staff will encourage event organizers and customers to look towards planning for 2021.

## Financial Impact

Any customers with rentals during the cancellation period will be provided with a credit on their account for the affected time missed to be applied to future booking. Refunds may also be requested. Staff will bring a report forward to Council summarizing the financial impact at a future date.

Community event organizers will also have financial impacts. For those that are receiving funding from the City, as per Corporate Report entitled "Granting Measures related to COVID-19", Council is considering a recommendation that grant recipients continue to receive 2020 approved funding amounts despite the need to alter, postpone or cancel their programs, services and/or festivals. This approach will assist City-funded organizations with business continuity as well as the ability to move forward post COVID-19.

## Conclusion

The cancellation of festivals, events and gatherings in city facilities and parks would align with the directives from public health and other levels of government as well as decisions already made by other jurisdictions. Staff are prepared to work with third party event organizers to mitigate the impact of this decision and investigate alternatives where possible.

## Appendix

Appendix 1 – Events Summary Chart



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Paul Mitcham, P.Eng, MBA, Commissioner of Community Services

Prepared by: Jennifer Cowie Bonnie, Manager, Community & Neighbourhood Development

For the period of April 15 – July 3, 2020 there are approximately 368 festivals, events and other gatherings with an expected attendance of over 100 people scheduled to take place in city facilities and parks. These include 111 City led and 257 third party events as outlined in the following table:

	Department						
	Corporate Communications	Culture	Library	Parks, Forestry & Environment	Recreation	T&W	Grand Total
City Led	17	47	13	22	5	7	111
Third Party	1	139	0	14	95	8	257
<b>Grand Total</b>	<b>18</b>	<b>186</b>	<b>13</b>	<b>36</b>	<b>100</b>	<b>15</b>	<b>368</b>

Types of activities impacted are summarized in the table below:

Type	Estimated Number *	Examples
City Led Events	111	Earth Days, National Youth Week, Older Adult Expo, Mother's Day Tea, Mississauga Celebration Square's Pep Rally, Lions Farmers Market, Read to Succeed, Movie Night, Fresh Air Fitness, various workshops, open houses, official openings, outreach and community engagement initiatives, spring beautification and "clean up" and gardening programs.
Third Party Events		
Various private parties and bookings	215	
Recitals, performances and graduation ceremonies	98	Including those at Living Arts Centre, Paramount Fine Foods Centre, and Meadowvale Theatre
Cause related walks, runs, biking events	26	
Sport Tournaments	23	
Major events and festivals at Mississauga Celebration Square	13	Including Taste of Goa, Ire Music Festival, Food Truck Friday's, Mississauga Polish Day, Vesak Buddha's Birthday and Lions Farmers Market
Major events and festivals in city parks and roads	11	Including the Khalsa Day Parade, Mississauga Marathon, Carassauga, Mississauga Waterfront Festival, Bread and Honey Festival, Veg Fest.
Canada Day Celebrations	6	Including the city-run event at Mississauga Celebration Square (attendance up to 80,000) and 5 community-led celebrations across the City that all feature fireworks and attract significant crowds (over 30,000)

\*the number of events per category is not exact as the listing could be included in more than one category for quick reference.

# City of Mississauga Corporate Report



<p>Date: April 1, 2020</p> <p>To: Chair and Members of Council</p> <p>From: Paul Mitcham, P.Eng, MBA, Commissioner of Community Services</p>	<p>Originator's files:</p> <hr/> <p>Meeting date: April 8, 2020</p>
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## Subject

**Recommended Granting Measures Related to COVID-19**

## Recommendation

1. That the grant recipients for the 2020 grant cycle retain their funding providing it is used for its intended purpose or to ensure the organization's business continuity, as outlined in the Corporate Report dated April 1, 2020 from the Commissioner of Community Services entitled "Granting Measures related to COVID-19"; and
2. That the guidelines and criteria for the 2020 grant cycle be amended to include the conditions related to the COVID-19 pandemic as outlined in the Corporate Report dated April 1, 2020 from the Commissioner of Community Services entitled "Granting Measures related to COVID-19".

## Background

On February 19, 2020 Council approved the 2020 Culture & Community Grant Program Corporate Report (GC-0089-2020). Funding was approved for 52 organizations across 4 grant programs (See Appendix 1). Eighteen multi-year organizations also continued to receive funding as part of their funding agreements. The total amount of funding allocated for 2020 was \$3,871,801.

Due to the current state of emergency, the City has received a number of inquiries from community groups concerned about how their funding will be impacted if they are forced to alter, postpone or cancel their programming/festival.



## Comments

According to the City's Grant Terms & Conditions, funding may be requested back should a grantee fail to meet any of the following criteria:

1. The grant is not used for the purpose described in the application.
2. The service/program proposed in the application is not commenced in a timely manner.
3. The service/program is not completed within the fiscal year for which the grant was connected.
4. The service/program is completed without requiring the total amount of the grant.

Due to the restrictions on mass gatherings and the messaging from Peel Public Health to maintain social distancing, Council will be considering the cancellation or postponement of festivals and events, within City facilities and Parks, up to July 3, 2020. This decision would align with the City of Toronto's announcement to cancel events and festivals on City property until June 30. Carassauga has already announced the postponement of their event and through conversations with community-based not-for-profits, staff is aware that many more arts, culture, recreation, and environment organizations are weighing their options and considering the possibility of altering, postponing or canceling their programs and festivals.

Although many of the City's funded organizations are considering postponing or canceling programs/festivals, they still have expenses and commitments which could threaten their ability to continue operations. Organizations are also seeing a decrease in sponsorship due to the current state of emergency.

Staff is recommending that for the 2020 grant cycle all approved grant recipients retain their approved funding provided it is used for its intended purpose or to ensure the business continuity of these organizations. Funding uses could include but are not limited to:

- Staffing
- Non-refundable deposits
- Paying artist fees
- Rent
- Utilities
- Administration

No penalties will be instituted for any 2020 grant recipient if their program, service or festival has to be altered, postponed or cancelled provided they agree to the following conditions:

- Confirmation of the impact COVID is having on the organization.
- Written notice of what measures/actions will be undertaken in 2020.
- Details provided about how City funding will be used to support the organization. Costs related to alter, postpone or cancel programs, services or festivals will be covered.

- Any unused City funding must be accrued to 2021; the 2021 grant award will be reduced accordingly.

Organizations would be required to provide this information if and when there is an impact to their programming/services.

Grant recipients would also have to provide a final report at the end of the year (as per the grant funding process). A new section would be included in the report for grant recipients to list funding changes due to COVID-19.

Similar steps have also been undertaken by both the Federal and Provincial governments regarding grant funding.

## Financial Impact

The required funds are in the 2020 budgets of both Culture and Recreation.

Of the \$3,871,801 in grant funding approved by Council on February 19, 2020, \$2,010,250 is funded through the Municipal Accommodation Tax (MAT). The remaining \$1,861,551 will be funded out of the Culture Grant and the Community Grant budgets.

## Conclusion

Staff is recommending grant recipients continue to receive 2020 approved funding amounts despite the need to alter, postpone or cancel their programs, services and/or festivals. This approach will assist City-funded organizations with business continuity as well as the ability to move forward post-COVID-19.

## Attachments

Appendix1: 2020 Mississauga Grant Allocations



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Paul Mitcham, P.Eng, MBA, Commissioner of Community Services

Prepared by: Sonja Banic, Manager, Culture Services

**Approved Grant Allocations**  
**2020 Culture Grant Programs**

**2020 Approved Culture Multi-year Grants**

	Name of Organization/Festival	2019 Approved Grant	2020 Requested Grant	<b>2020 Approved Grant</b>	2021 Approved Grant	2020 1st Payment March	2020 2nd Payment August
<b>Arts &amp; Culture Grant Program</b>							
1	Art Gallery of Mississauga	\$325,000	\$325,000	<b>\$325,000</b>		\$243,750.00	\$81,250.00
2	Mississauga Arts Council	\$269,670	\$370,755	<b>\$269,670</b>		\$202,253.00	\$67,417.00
3	Heritage Mississauga*	\$237,000	\$274,362	<b>\$244,000</b>		\$183,000.00	\$61,000.00
4	Visual Arts Mississauga	\$160,000	\$200,000	<b>\$165,000</b>		\$123,750.00	\$41,250.00
5	Mississauga Symphony Orchestra	\$150,000	\$200,000	<b>\$150,000</b>		\$112,500.00	\$37,500.00
6	Sampradaya Dance Creations	\$150,000	\$300,000	<b>\$130,000</b>	\$130,000	\$97,500.00	\$32,500.00
7	Living Arts Centre Mississauga	\$100,000	\$200,000	<b>\$100,000</b>		\$75,000.00	\$25,000.00
<b>Cultural Festivals &amp; Celebrations Grant Program</b>							
8	Carassauga Festival	\$120,000	\$120,000	<b>\$120,000</b>	\$120,000	\$90,000	\$30,000
9	Southside Shuffle Blues and Jazz Festival	\$100,000	\$100,000	<b>\$100,000</b>	\$100,000	\$75,000	\$25,000
10	Bollywood Monster Mashup	\$95,000	\$106,597	<b>\$100,000</b>	\$105,000	\$75,000	\$25,000
<b>Sub-total</b>		\$1,706,670	\$2,196,714	<b>\$1,703,670</b>	\$455,000		

\*An increase of \$35,000 will be added to the 2020 grant for Heritage Mississauga pending approval of the Corporate Report entitled "Transfer of Legends Row and City Funding Approval for Heritage Mississauga"

**Approved Grant Allocations  
2020 Culture Grant Programs**

**2020 Arts & Culture Grant Program**

	Name of Organization	2019 Approved Grant	2020 Requested Grant	2020 Approved Grant	1st Payment March 2020	2nd Payment August 2020	Support with Conditions Status
	<b>Established Organizations</b>						
1	Chamber Music Society of Mississauga	\$80,000	\$85,000	<b>\$85,000</b>	\$63,750	\$21,250	
2	Sawitri Theatre Group	\$40,000	\$75,000	<b>\$60,000</b>	\$45,000	\$15,000	
3	Mississauga Choral Society	\$57,300	\$61,500	<b>\$57,300</b>	\$42,975	\$14,325	
4	Mississauga Children's Choir	\$21,000	\$25,000	<b>\$25,000</b>	\$18,750	\$6,250	
5	Small Arms Society	\$20,000	\$80,000	<b>\$25,000</b>	\$18,750	\$6,250	
6	Youth Troopers for Global Awareness	\$15,000	\$50,000	<b>\$25,000</b>	\$18,750	\$6,250	Recommended
7	Mississauga Chinese Arts Organization	\$18,500	\$21,500	<b>\$21,500</b>	\$16,125	\$5,375	
8	Mississauga Festival Choir	\$38,000	\$20,000	<b>\$20,000</b>	\$15,000	\$5,000	
9	Mississauga Potters Guild	\$15,000	\$18,000	<b>\$18,000</b>	\$18,000	\$0	
10	Mississauga Festival Youth Choir	\$18,000	\$17,000	<b>\$17,000</b>	\$17,000	\$0	
11	Theatre Unlimited	\$15,500	\$15,500	<b>\$15,500</b>	\$15,500	\$0	
12	Canadian Arabic Orchestra	\$15,000	\$50,000	<b>\$15,000</b>	\$15,000	\$0	
13	Frog in Hand	\$10,000	\$15,000	<b>\$15,000</b>	\$15,000	\$0	
14	Arts on the Credit Mississauga	\$5,000	\$10,000	<b>\$5,000</b>	\$5,000	\$0	
15	Mississauga Big Band Jazz Ensemble	\$4,400	\$4,400	<b>\$4,400</b>	\$4,400	\$0	
16	Streetsville Historical Society	\$4,000	\$4,000	<b>\$4,000</b>	\$4,000	\$0	
	<b>New &amp; Emerging Organizations</b>						
17	Eagle Spirits of the Great Waters	\$0	\$15,000	<b>\$7,500</b>	\$7,500	\$0	Recommended
18	Fashion Circuit Series	\$0	\$12,000	<b>\$7,500</b>	\$7,500	\$0	Recommended
<b>Sub-total</b>		<b>\$376,700</b>	<b>\$578,900</b>	<b>\$427,700</b>			

**Approved Grant Allocations  
2020 Culture Grant Programs**

**2020 Cultural Festivals & Celebrations Grant Program**

	Name of Festival	2019 Approved Grant	2020 Requested Grant	2020 Approved Grant	1st Payment March 2020	2nd Payment August 2020	Support with Conditions Status
	<b>Established Organizations</b>						
1	Mississauga Waterfront Festival	\$97,500	\$114,733	<b>\$100,000</b>	\$75,000	\$25,000	
2	Mosaic South Asian Heritage Festival	\$60,000	\$100,000	<b>\$80,000</b>	\$60,000	\$20,000	
3	Paint the Town Red Port Credit	\$70,000	\$99,187	<b>\$70,000</b>	\$52,500	\$17,500	
4	Streetsville Founder's Bread and Honey Festival	\$52,000	\$68,600	<b>\$60,000</b>	\$45,000	\$15,000	
5	Muslimfest	\$60,000	\$50,000	<b>\$50,000</b>	\$37,500	\$12,500	
6	Malton Celebrates Canada Day	\$23,000	\$27,000	<b>\$27,000</b>	\$20,250	\$6,750	
7	Mississauga Italfest	\$19,500	\$19,999	<b>\$19,999</b>	\$14,999	\$5,000	
8	Mississauga Latin Festival	\$15,000	\$19,000	<b>\$19,000</b>	\$14,250	\$4,750	
9	Philippine Festival Mississauga	\$19,000	\$19,000	<b>\$19,000</b>	\$14,250	\$4,750	
10	Mississauga Polish Days Festival	\$0	\$12,000	<b>\$10,000</b>	\$7,500	\$2,500	
11	Canada Day Together Festival	\$7,500	\$20,000	<b>\$12,500</b>	\$9,375	\$3,125	
12	Streetsville Christmas in the Village	\$10,000	\$15,000	<b>\$12,500</b>	\$9,375	\$3,125	
13	Egyptian Coptic Festival	\$7,500	\$15,000	<b>\$7,500</b>	\$5,625	\$1,875	
	<b>New &amp; Emerging Organizations</b>						
14	Arts on the Port	\$0	\$9,000	<b>\$7,500</b>	\$5,625	\$1,875	
15	Dragon Lion Dance Festival	\$5,000	\$10,518	<b>\$5,000</b>	\$3,750	\$1,250	Recommended
	<b>Not Recommended</b>						
16	Diwali RazzMatazz	\$0	\$15,000	<b>\$0</b>	\$0	\$0	
17	Multicultural Festival	\$0	\$5,000	<b>\$0</b>	\$0	\$0	
<b>Sub-total</b>		<b>\$446,000</b>	<b>\$619,037</b>	<b>\$499,999</b>			

**Approved Grant Allocations  
2020 Culture Grant Programs**

**2020 Culture Projects Grant Program**

	Name of Group	Project Name	2019 Approved Grant	2020 Requested Grant	2020 Approved Grant	Payment March 2020
	<b>Culture Projects</b>					
1	Arts & Culture Initiative of South Asia	METASauga	\$0	\$5,000	<b>\$5,000</b>	\$5,000
2	Canadian Heritage Photography Foundation	Historical Reflections of a City	\$0	\$4,949	<b>\$4,949</b>	\$4,949
3	Eagle Spirits of the Great Waters	The Spirit of the Water Cultural Gathering	\$0	\$5,000	<b>\$5,000</b>	\$5,000
4	Ink Movement	Youth Anthology	\$0	\$3,500	<b>\$3,500</b>	\$3,500
5	Meadowvale Music Theatre	The Wedding Singer	\$5,000	\$5,000	<b>\$5,000</b>	\$5,000
6	MEHAR: Mental & Emotional Health Awareness Renaissance	Mann; A Poetic Reflection of the Mind	\$0	\$5,000	<b>\$5,000</b>	\$5,000
7	Mississauga Arts Council	Arts for Mental Health Summit Conference	\$0	\$5,000	<b>\$5,000</b>	\$5,000
8	MonstrARTity Creative Community	Bollywood Urban Jugalbandi	\$5,000	\$5,000	<b>\$5,000</b>	\$5,000
9	Riverwood Conservancy	Culture@Riverwood	\$0	\$5,000	<b>\$5,000</b>	\$5,000
10	Sawitri Theatre Group	Conversations & connections	\$0	\$5,000	<b>\$5,000</b>	\$5,000
11	Visual Arts Mississauga	Don't Be Shy Program	\$5,000	\$5,000	<b>\$5,000</b>	\$5,000
	<b>Not Recommended</b>					
12	Egyptian Museum in Mississauga	Live Like the Pharaohs Summer Camp	\$0	\$3,500	<b>\$0</b>	\$0
13	Hispanic Canadian Arts & Culture Association	Latin Art Workshop	\$5,000	\$5,000	<b>\$0</b>	\$0
14	Mississauga Writers Group	Creation & Printing of Anthologies	\$2,500	\$5,000	<b>\$0</b>	\$0
<b>Sub-total</b>			\$22,500	\$66,949	<b>\$53,449</b>	

<b>Total 2020 Culture Grant Recommendations</b>	<b>\$2,684,718</b>
<b>2020 Culture Grant Budget</b>	<b>\$3,049,000</b>

**Approved Grant Allocations**  
**2020 Community Grant Program**

**2020 Approved Community Multi-year Grants**

Name of Organization		2019 Approved Grant	2020 Requested Grant	<b>2020 Approved Grant</b>	2021 Approved Grant	2020 1st Payment March	2020 2nd Payment August
	Community Grant Program						
1	The Riverwood Conservancy	\$331,859	\$338,559	<b>\$331,859</b>	\$331,859	\$248,895	\$82,964
2	Active Adult Centre of Mississauga	\$272,393	\$282,256	<b>\$275,257</b>	\$275,257	\$206,443	\$68,814
3	Safe City Mississauga	\$204,288	\$235,789	<b>\$132,730</b>	\$132,730	\$99,548	\$33,182
4	Mississauga Sports Council	\$85,000	\$120,000	<b>\$114,595</b>	\$114,595	\$85,946	\$28,649
5	Ecosource	\$82,500	\$109,683	<b>\$109,683</b>	\$109,683	\$82,262	\$27,421
6	Erin Mills Youth Centre	\$0	\$88,175	<b>\$72,888</b>	\$72,888	\$54,666	\$18,222
7	Nexus Youth Services	\$40,115	\$54,181	<b>\$42,615</b>	\$42,615	\$31,961	\$10,654
8	Volunteer MBC	\$35,000	\$43,000	<b>\$38,200</b>	\$38,200	\$28,650	\$9,550
<b>Sub-total</b>		\$1,051,155		<b>\$1,117,827</b>	\$1,117,827		

**Approved Grant Allocations**  
**2020 Community Grant Programs**

**2020 Community Grant Program**

	Name of Organization	2019 Approved Grant	2020 Requested Grant	2020 Approved Grant	Payment March 2020	Support with Conditions Status
	Operating Grant					
1	Backyard Farm & Market	\$10,000	\$10,000	<b>\$10,000</b>	\$10,000	
2	Big Brothers, Big Sisters of Peel	\$6,500	\$10,000	<b>\$10,000</b>	\$10,000	
3	Boys & Girls Club of Canada	\$0	\$10,000	<b>\$10,000</b>	\$10,000	
4	Global 180 Students Communications Inc.	\$0	\$9,957	<b>\$9,957</b>	\$9,957	Recommended
5	MIAG Centre for Diverse Women & Families	\$4,949	\$10,000	<b>\$4,949</b>	\$4,949	
6	The Dam	\$10,000	\$10,000	<b>\$10,000</b>	\$10,000	
	Project Grant					
7	Blooming Boulevards	\$0	\$4,350	<b>\$4,350</b>	\$4,350	
8	Cruisers Sports for the Physically Disabled	\$10,000	\$10,000	<b>\$10,000</b>	\$10,000	
	Not Recommended					
9	Senior Tamils Society of Peel	\$6,200	\$10,000	<b>\$0</b>	\$0	
<b>Sub-total</b>		<b>\$47,649</b>	<b>\$84,307</b>	<b>\$69,256</b>		

<b>Total 2020 Community Grant Recommendations</b>	<b>\$1,187,083</b>
<b>2020 Community Grant Budget</b>	<b>\$1,217,670</b>