

## MEMORANDUM

**To:** Mayor & Members of City Council  
Chambers of Commerce  
Media

**Date:** May 22, 2020

**Subject:** COVID-19 – Update

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### SUMMARY

This week we extended the qualifications for the CEBA to include sole-proprietors and other businesses who do not have \$20,000 in payroll. We have also announced that applications are open for the LEEFF program as well as funding applications for community-based organizations. Applications for the CECRA program will open on May 25<sup>th</sup>. We have also announced additional funding for indigenous communities. We have reached an agreement to extend the border closure with the United States for another 30 days and public health is recommending people wear masks in public to help stop the spread of COVID-19.

### UPDATES

#### Canada Emergency Business Account (CEBA):

We have expanded the CEBA to include businesses that do not have a \$20,000 payroll. This could include sole-proprietors or any other business that does not issue T4s.

To qualify under the expanded eligibility criteria, applicants with payroll lower than \$20,000 would need:

- a business operating account at a participating financial institution
- a Canada Revenue Agency business number, and to have filed a 2018 or 2019 tax return.
- eligible non-deferrable expenses between \$40,000 and \$1.5 million. Eligible non-deferrable expenses could include costs such as rent, property taxes, utilities, and insurance.

Expenses will be subject to verification and audit by the Government of Canada. Funding will be delivered in partnership with financial institutions. More details, including the launch date for applications under the new criteria, will follow in the days to come. To date, over 600,000 small businesses have accessed the CEBA, and the government will work on potential solutions to help business owners and entrepreneurs who operate through their personal bank account, as opposed to a business account, or have yet to file a tax return, such as newly created businesses.



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HOUSE OF COMMONS  
CHAMBRE DES COMMUNES  
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## Funding for Community Based Organizations:

We have invested \$350 million to improve the ability of community organizations to serve vulnerable Canadians during the COVID-19 crisis.

The investment will flow through national intermediaries that have the ability to get funds quickly to community organizations that serve vulnerable populations.

As of May 19, 2020, community-based organizations from across the country will be able to apply for funding to support a variety of activities that address a pressing social inclusion or well-being need caused by COVID-19, such as:

- increasing volunteer-based home deliveries of groceries and medications
- scaling up help lines that provide information and support
- helping vulnerable Canadians access government benefits
- providing training, supplies, and other required supports to volunteers so they can continue to make their invaluable contributions to the COVID-19 response
- replacing in-person, one-on-one contact and social gatherings with virtual contact through phone calls, texts, teleconferences, or the Internet

Applications for financial support will open May 19, 2020 for qualified donees (including charities) and non-profits serving vulnerable Canadians amidst the COVID-19 pandemic. To find more details on how to apply please visit:

- [United Way Centraide Canada](#)
- [Canadian Red Cross](#)
- [Community Foundations of Canada](#)

## Canada Emergency Commercial Rent Assistance (CECRA):

Applications for the CECRA will begin on May 25<sup>th</sup>. Landlords are encouraged to apply for this program that will provide 50% of the rental cost as a forgivable loan from the government, allow the tenant to pay for 25% and have the landlord absorb 25% of the rental cost. CECRA will provide important relief for small businesses experiencing financial hardship, and we are encouraging property owners to take advantage of the program.

## Large Employer Emergency Financing Facility (LEEFF):

Canada's large companies employ millions of Canadians. We need them to get through this crisis so that they can continue to support families across the country. Our Government has launched new Large Employer Emergency Financing Facility (LEEFF), which provides liquidity so that large companies and their employees can get through these challenging times.

This support will help protect Canadian jobs, help Canadian businesses weather the current economic challenges, and avoid bankruptcies of otherwise viable firms. No matter what sector a Canadian works in, or the size of the company they work for, they deserve to know their government is supporting them in this time of crisis. Our message remains the same: we've got your back.

## *Terms*

- LEEFF's terms and conditions are commercial in nature and designed to protect the interests of Canadian taxpayers.
- Companies seeking support must demonstrate how they intend to preserve employment and maintain investment activities.
- They will also need to commit to respect collective bargaining agreements, protect workers' pensions, and agree to publish annual climate-related disclosure reports.
- The LEEFF program will require strict limits to dividends, share buy-backs, and executive pay, and will not be available to companies that have been convicted of tax evasion.
- The full details of these loans can be found on CDEV's website.

## *Application Process*

The LEEFF is delivered through the Canada Development Investment Corporation (CDEV) and information on the application process is now available.

## Indigenous Funding:

As COVID-19 continues to affect Canadians across the country, First Nations, Inuit, and Métis are also facing health, social, and economic challenges. The Government of Canada recognizes that Indigenous peoples have unique needs, especially those who are separated from their families and communities.

On March 18, the Government of Canada announced \$305 million for a new, distinctions-based Indigenous Community Support Fund to address immediate needs in Indigenous communities and help them respond to COVID-19. The Fund included \$15 million in support for Indigenous organizations that provide services to Indigenous peoples living in urban centres and off reserve.

The Prime Minister announced \$75 million in new funding for Indigenous organizations providing services to Indigenous peoples in urban centres and off reserve.

This additional funding will support more community-based projects that address the critical needs of Indigenous populations during this crisis, including food security, mental health support services, and sanitation and protective equipment. It could also help with other needs, such as support for Elders, transportation, and educational materials for Indigenous children and youth. Funding for projects will start rolling out in the coming weeks.

## Public Health Recommends Wearing Masks in Public:

From the beginning, we have been following the advice of the experts. We are thankful for our chief medical officer and the diligent team working around the clock to keep Canadians safe. They are now recommending wearing masks in public to help stop the spread of COVID-19. We encourage all Canadians to follow the expert advice of our public health officials.

## Canada-US Border:

Our top priority is the health and safety of all Canadians. With this in mind, we have announced that we have reached an agreement with our counterparts in the United States to extend the border closing for another month.

## Economic Recovery Strategy(s):

As you are aware, we are currently working with regional, sector partners to establish a report to present to Cabinet that will highlight recommendations attached to economic recovery.

The purpose of this report is to:

- Re-build and strengthen our institutions and communities, post COVID, based on existing and future economic strategies.
- Strengthen our international trade performance by tri-nationally (Canada, United States and Mexico) integrating our economic strategies utilizing our established trade agreements.
- Integrate bi-national (Canada and United States) capital investments, specific to multi-modal trade corridors, to ensure fluidity in international trade.
- Provide a mechanism for municipalities to adhere to PSAB (Public Sector Accounting Board), FRAS Canada (Financial Reporting and Assurance Standards) and their Asset Management Plans attached to same - relevant more so now as a result of COVID. Finances (Operational & Capital) have been redeployed by residents, businesses and municipalities. This redeployment(s) will result in deferrals of capital projects and/or added pressure on (property) taxpayers and water/wastewater ratepayers (capital fixed rates and usage rates). This report addresses that relief.
- Align local and national economic strategies and capital investments, contributing to post COVID “sustainable” economic recovery.
- Align financial considerations attached to this report with accrued revenue, collected under the government’s carbon pricing policy(s) and re-invested into local communities - Canadians.

**Once again, may I express my sincere appreciation to all residents, our front-line workers, essential service providers, government partners at all levels, businesses and students, for your ongoing efforts to help in this time of crisis. We are in this together! Your daily efforts are ensuring that we will get through this together. If you require any assistance, please do not hesitate to contact our office.**

**Enjoy your weekend.**

**Stay safe.**