

SUPPORT FOR SMALL BUSINESSES OUTSIDE OF BUSINESS IMPROVEMENT AREAS

RECOMMENDATION

That the June 29, 2022, Urban Planning and Economy report UPE00945, be received for information.

Report Purpose

Information only.

This report provides details on the supports available to small businesses, as well as detailing possible new and additional support options.

Previous Council/Committee Action

At the November 30, 2021, City Council meeting, the following motion was passed:

That Administration provide a report outlining high-level options to support small businesses outside of the Business Improvement Areas, including but not limited to tax levy subsidies, tax incentives, and potential additional business support (including external partnership opportunities and City-resourced district-based business liaisons), in alignment with the Economic Action Plan and leveraging insights from 2020/2021 COVID Business Economic Recovery Grants.

Executive Summary

- Business Friendly Edmonton, informed by engagement with the business community and insights from long-standing work with small businesses, is a comprehensive program that integrates and refocuses the support that the City provides to businesses so that it is easier to start, grow and invest in Edmonton. The City provides significant support to small businesses through this program.
- This report describes available resources, enhancements being implemented and additional potential supports for small businesses.

SUPPORT FOR SMALL BUSINESSES OUTSIDE OF BUSINESS IMPROVEMENT AREAS

- The Business Friendly Edmonton program provides direct support to businesses and becomes more effective as awareness of the program continues to grow.

REPORT

Small businesses are at the heart of Edmonton's economy. They enhance Edmonton's vibrancy, tourism, quality of life and entrepreneurial opportunities. Ninety-five per cent of all businesses in Edmonton are considered small (1 to 49 employees). The City supports small businesses through an extensive variety of programs, services and grants and has implemented the Business Friendly Edmonton program, which helps small businesses successfully navigate City processes.

Business Friendly Edmonton's purpose is to champion Edmonton businesses and cultivate a business friendly culture across the City. It acts as an advocate for Edmonton's business community and actively listens to them, consults and implements their feedback to shape the program to meet the evolving needs of businesses. Business Friendly Edmonton serves all sizes of businesses and tailors its approach to the businesses' needs. This program enables Administration to listen and learn from the business community so that the program can continuously improve. Administration has used insights gathered from the Edmonton Economic Recovery Grant (Attachment 3) to inform and establish Business Friendly Edmonton.

A full inventory of small business support, including services and grants, can be found in Attachment 1 and on edmonton.ca. These supports advance the Edmonton Economic Action Plan through:

- Action 3 - Support building capacity and access to resources for entrepreneurs from marginalized communities, such as racialized entrepreneurs, and newcomers.
- Action 18 - Develop an integrated Investment Intake, Business Retention and Expansion and Aftercare Program that supports Edmonton Global and others' efforts to attract foreign direct investment as well as existing and new Edmonton businesses. This Action directly initiated Business Friendly Edmonton.

Personalized Supports

Within the Business Friendly Edmonton program, the One-on-One Business Support Service guides business owners in understanding the regulatory journey so they have a clear picture of requirements, timelines, best practices and costs. Small business owners benefit from having a single point of contact to access resources and support, making the municipal permitting and business licence processes easier. The program also advocates on behalf of businesses to enhance service levels and improve the client experience by bringing the small business perspective to internal policy conversations, such as the Business Licence Bylaw Renewal, Zoning Bylaw Renewal and Permit and License Improvement Initiative.

Advocacy is also done on behalf of business owners during the permit process. For example, if a business owner is having difficulty understanding the requirements to obtain a permit, a One-on-One Business Support Program Business Liaison takes time to understand their particular situation, their expectations and end goals. Next, the Business Liaison conducts the

SUPPORT FOR SMALL BUSINESSES OUTSIDE OF BUSINESS IMPROVEMENT AREAS

necessary research to determine a possible solution, and then facilitates a meeting between the business owner and the appropriate technical experts within the City. The One-on-One Business Support Program cannot make exceptions to, or overrule any of the regulatory process, but the program does help to find a solution to the issue, within the regulatory framework.

This support program is accessible through a dedicated webpage, direct email and phone line, as well as an online meeting booking form that provides up-to-date resources and contact information for the City programs that support businesses. Administration understands the need for easily accessible resources and it continues to promote these resources to connect businesses to the right solutions.

Permit and Licensing

Since 2017, service improvements are estimated to have saved planning and development customers a combined 260,933 days and \$4.6 million in delay costs annually based on demonstrated reductions in permit timelines. Examples of this work include exempting 25 types of business uses from requiring a development permit, allowing some interior demolition work to proceed while awaiting commercial interior alteration building permit approval, which helps businesses become operational sooner. Additional improvements underway or that will be launched in 2022 include:

- Streamlining processes and enhancing technology resulting in a greater consistency and clarity for business owners who are not familiar with the City's processes; and
- Publishing and reporting on service level timelines allowing businesses to better plan their projects, as well as improved consistency by the City.

Red tape round tables with industry partners and small business owners are ongoing to identify additional and emerging priorities to address.

Collaborations and Partnerships

As a relationship-based City, Administration champions partnerships with local organizations, including not-for-profits, economic development organizations, post-secondary institutions and industry associations to improve support for small businesses across the City. Through these collaborations, Administration gains critical insight into the needs and challenges of small businesses, which helps to augment the Business Friendly Edmonton program. Examples of partnerships include:

- Administration provides public education and customized presentations to entrepreneur training programs, such as the Anderson Career Training Institute, Action for Healthy Communities, NAIT Mawji Centre for New Venture and Student Entrepreneurship, Black Canadian Women in Action and other organizations that offer training on business ownership and entrepreneurship.
- Administration regularly partners with Business Link, a not-for-profit organization, to deliver entrepreneur-focused presentations on City regulatory processes. Administration and Business Link refer small businesses to each other to provide comprehensive one-on-one support.

SUPPORT FOR SMALL BUSINESSES OUTSIDE OF BUSINESS IMPROVEMENT AREAS

- Administration partnered with the University of Alberta's School of Retailing to launch Digital Mainstreet (now called Digital Economy) to support businesses in need of an improved digital presence and reach.

Potential Additional Support

Attachment 2 outlines potential additional supports Administration could initiate or enhance for small businesses. These include support through information sharing and engagement, District-based Business Liaisons, partner organizations and financial incentives. Administration recognizes that the business friendly approach to working with businesses is a continuous improvement journey and will continue to communicate the availability of the service.

Only with specific Council direction would additional supports (Attachment 2) be provided. Many of the additional supports would require further exploration and would require the reallocation of resources or additional resources. The enhanced efforts being made under Business Friendly Edmonton are being implemented, with awareness, customer experience and service levels being areas still in need of further improvement.

Business Improvement Areas

The range of supports uniquely provided to businesses within Business Improvement Areas (BIAs) is included in Attachment 4 for comparative purposes. To leverage the work of BIAs and champion local economic impact, Administration offers financial and strategic support exclusive to the BIA associations and the businesses within BIAs. For businesses, the Development Incentive Program offers matching reimbursement grants encouraging investment in vacant commercial units, to build new commercial and mixed-use buildings, as well as some interior renovations. The Storefront Improvement Program offers matching reimbursement grants designed to support exterior renovations. The City also waived 100 per cent of BIA business tax levies in 2021 and 50 per cent of levies in 2022.

GBA+

To ensure that all businesses are represented and are aware of available support, Administration communicates with businesses by leveraging various channels such as social media, public service announcements, website updates, webinars, and through partnerships with organizations that support diverse and equity-deserving businesses. These channels include newsletters that provide up to date information on the economy, funding sources, as well as dedicated websites that are directed at supporting local businesses and their owners.

Administration seeks to identify under-served entrepreneurs, provide customized support that addresses the accessibility needs of entrepreneurs, and works to reduce barriers to municipal services, resources and regulatory information. The following GBA+-informed steps are already underway:

- A guiding principle of the Business Friendly Edmonton framework is to use an equity lens to ensure inclusive participation and equitable access to economic opportunities.

SUPPORT FOR SMALL BUSINESSES OUTSIDE OF BUSINESS IMPROVEMENT AREAS

- The one-on-one service interacts with a large volume of small business owners who often have intersecting equity barriers. The service allows for tailored and lasting support for equity deserving business owners in navigating how to start a successful business.
- Administration is building and strengthening partnerships with organizations that serve underrepresented entrepreneurs, and identifying opportunities to collaborate on public education programming.
- Administration regularly undertakes research with an equity lens and collects disaggregated demographic data through the grant application process to identify and address systemic barriers of current and new business communities, and to better inform the impact of existing and new financial incentive programs and initiatives.
- Administration will continue to leverage and consult with internal and external stakeholders who are subject matter experts in systemic barriers of equity deserving entrepreneurs, including but not limited to the Edmonton Chamber of Commerce, Black Canadian Chamber of Commerce, Business Development Bank of Canada, Catholic Social Services, community development financial institutions and other community/social development partners.

ATTACHMENTS

1. Inventory of Small Business Support
2. Options for Supporting Businesses Outside of BIAs
3. Edmonton Economic Recovery Grant Insights
4. Support for Business Improvement Areas