

Walter Schummer
Councillor, Ward 3 Brock Township
102 Peace Street Box 458
Cannington, Ontario L0E 1E0
wschummer@townshipofbrock.ca

802/20



Councillor Memo

From: Walter Schummer, Ward 3 Councillor

Date: July 15, 2020

Re: South Lake funding update

Date:	16/07/2020
Refer to:	Council
Meeting Date:	July 16, 2020
Action:	null
Notes:	Correspondence
Copies to:	

While I am disappointed that this issue must be raised during a meeting in which not all members of Council can attend and that the report comes to members of Council giving members only a day and a half to consider it I would like to express my thoughts and considerations on the contents of report 2020-CO-30. I am also disappointed that there is an apparent attitude to simply "get the money off the table". Such comments about taxpayer supported funding is worrisome and, in my opinion, discussion and consideration of why only 54% of the allocated funds were utilized deserves more review and discussion than what is being given. I would like consideration given to the following:

- The report states "some applications were received after the deadline". How many is "some"?
- There was significant promotion of this program as outlined in the report. Exactly why was there such a low uptake. During Council discussions on the program it was stated how our local businesses were on the verge of collapse yet so few signed up for the bailout funding. I use the word "bailout" because that is what it's called when financial assistance is given to businesses to save them from collapse which is what we've been told could very well happen to our downtowns and the businesses in them.
- Of the 17 businesses given funding were all requirements outlined by The Township met?
- Of the 17 businesses given funding (most were given the maximum amount) what will the funds be used for as outlined on the application form?
- Of the 17 businesses given funding how does their funding amount tie into their monthly overhead costs as outlined on the application form? Was there any correlation between operating costs, other government funding, and how much Township funding was provided?

(the above three questions relate to the information to be provided by the applicant and the applicants agree that this information may be shared with The Township as part of the conditions outlined in the application)

- Was there any consideration given by South Lake for businesses operating out of their homes vs. those who pay separate operating costs for a separate business establishment? If not we would be possibly subsidizing individuals' household expenses.
- Apparently, there was a widespread lack of knowledge regarding the program among local businesses which may have led to the low uptake; however, the report indicates a rather robust campaign to promote the initial intake. What will be done to improve the knowledge of the potential second intake? I agree that The Township has heard publicly how some businesses in Brock are on the verge of bankruptcy yet those same businesses are not listed as having applied and received funding which strikes me as very strange.
- The report mentions an additional funding criteria in the proposed second intake to include any non-profit that owns its own building and has had a decrease in revenues of 30%. At our meeting some weeks ago when the response to the funding was announced by The Mayor it was mentioned by The Mayor that perhaps Legions should be given consideration for funding in a possible second intake.

- I have already expressed my concerns to staff about including only one segment of the non-profit sector in Brock for funding and that doing so would be very unfair and unacceptable. It would appear that the funding to Legions was somewhat modified in the report to funding only non-profits who own their own building. Since not too many non-profits own their own building in Brock it would appear to me this is still very much targeted to Legions.
- I must still state that this would appear to single out a very limited assistance to a targeted number of Brock non-profits and that is very unfair and unjust in my opinion.
- More consideration should be given here. For example, Legions do not pay any property taxes on their buildings and according to The Legion website the Dominion Command Executive Council released \$3 Million in non-repayable grants to branches.
- There are other non-profits in Brock who are no doubt struggling or will be struggling in the months ahead with fundraising and other revenue generation being curtailed. This proposed narrow-focused funding will leave much of them out. Would it not be prudent that if we are to consider such assistance that we pull back some or all of the unused funds and have a greater and more robust discussion about it's use rather than rushing this taxpayer money out the door only to be considering spending even more down the road on another program which may not be prudent?
- Brock already has a non-profit granting policy which could be "tweaked" to assist during this time and doing so apparently does not violate The Municipal Act on "bonusing provisions". If we don't rush to judgment on these unused funds we could allocate some or all of it in a more considered approach through this Township program and better assist the entire non-profit sector in Brock Township.
- How will some non-profits meet the reporting requirements? Many do not or are not required to file T2 tax returns, T3 Trust Returns, T3010 Charitable Returns, or T1044 Non-Profit Information Returns. There are other requirements which may be difficult for some non-profits to meet (for good or bad reasons).

As you can see, I believe there are many issues to discuss on this matter for both the current situation and future consideration. I fail to see why Council must rush to a decision on this at a special meeting now and with only a day and a half to review some of the details and consider getting \$69,000 "off the table". COVID-19 is not going away anytime soon and Brock Township cannot afford to be constantly rolling out additional bailout funding on behalf of property tax payers who we will owe assistance to in the 2021 budget process.

Thank you for your consideration.

Walter Schummer

Ward 3 Councillor, Brock Township