

Wednesday May 10, 2023.

Deputy Mayor McKelvie, and City Council.

Re: Council Item 2023 MM6.1

On behalf of Toronto's 84 BIAs and their collective membership of over 90,000 businesses and property owners please receive this correspondence in support of motion MM6.1 requesting that the federal government extend the Canada Emergency Business Account (CEBA) loan repayment deadline.

The most current repayment deadline for the CEBA loans is December 2023. While many, including the World Health Organization (WHO) have declared that the pandemic commonly known as COVID is over, the recovery for those businesses impacted by it will take years beyond this simple declaration.

If they survived this far, many local businesses have still not recovered from the pandemic and this rapidly approaching deadline will only worsen the financial impact of COVID on all Toronto local small businesses.

A recent TABIA survey of over 500 businesses on the impacts of CEBA loan repayment found that:

- 3 out of 4 businesses that were in business pre-COVID indicate they are 75% below their pre-COVID sales.
- 97% of businesses who currently have a CEBA loan indicate that repayment will impact their business. 41% of those businesses indicate that the CEBA loan repayment may force their business to close.
- 77% of businesses who have taken on additional debt as a result of COVID indicate it will take more than 3 years to repay it.

Many will be forced to take on more debt to meet the December deadline and qualify for the \$20,000 in promised CEBA debt forgiveness. Others not able to pay in time will not only lose out on the \$20,000 in debt relief but will also be charged interest on their CEBA loan.

The federal government must consider reducing or *ideally eliminating* these COVID loan repayments.

Small businesses need the city to continue the support that they have so generously shown throughout the pandemic for local small businesses.

We kindly request that you support Councillor Fletcher's motion 2023.MM6.1.

Regards,



John J. Kiru
Executive Director
TABIA