

## ADMINISTRATIVE REPORT

<b>TO:</b> Horacio Galanti, City Manager	<b>DATE:</b> March 22, 2021
<b>FROM:</b> Rebecca Leigh Manager, Economic Development	<b>MEETING:</b> City Council
<b>SUBJECT:</b> Economic Recovery Program – Training Grant	

### RECOMMENDATIONS

The Economic Recovery Committee, recommends that Council approve the proposed amendments to Policy 318- *Economic Recovery Program* and;

Approve \$100,000 from the Economic Recovery Capital budget for the Training Grant.

### PREVIOUS COUNCIL / COMMITTEE DIRECTIONS

At the May 14, 2020 Council Committee of the Whole, Committee directed Administration to “bring back a report to the appropriate Standing Committee identifying options to allow the Economic Development Strategic Advisory Committee to manage Council's Economic Recovery Fund.”

On May 19, 2020 City Council approved the 2020 Capital Budget revisions, including a \$500,000 Business Recovery Fund. A subsequent motion amended the Capital budget “with the \$790,000.00 in unallocated Capital Tax dollars to be allocated to the Council Economic Recovery Fund”.

On June 29, 2020 City Council requested the “Economic Recovery Subcommittee of the Economic Development Strategic Planning & Advisory Committee bring back funding recommendations to Council on a per program basis for up to \$1 million via the Economic Development Manager.”

On August 10, 2020 City Council Approved Policy 318- Economic Recovery Program and approved \$500,000 to the Local Marketing and Beautification & Patio Grants.

### BACKGROUND

Earlier this year, the Economic Recovery Committee received a request from the Downtown Association for grant funding for a Digital Marketing training program, similar to the Digital Marketing Workshop recently offered through the Business Resiliency Taskforce. This request reaffirmed the Committee’s recognition that there is an increased demand for businesses to invest in upskilling existing employees and bringing support functions such as marketing and communications in house.

In further support of this assumption, the Business Resiliency Taskforce recently launched the third and final cohort of the Digital Marketing Workshop. While each of the three cohorts were open to ten businesses, the Taskforce received between 30 and 40 applications for each.

## **ANALYSIS**

In response to this identified need, the Economic Recovery Committee is recommending the creation of a two-tiered Training Grant. Although designed to support the request for additional marketing training support, the proposed grant would be open to any training and education need as identified by the business. The proposed grant would provide grant funding equal to 25% of registration costs for programs over \$300 to a maximum of \$2,500 per business and 50% of registration costs for programs under \$300 to a maximum of \$1,250 per business.

The two-tiers were created to recognize and complement the funding available under the Canada Alberta Jobs grant, which is designed to support businesses in putting their employees through training programs greater than 21 hours, by covering 66% of registration costs. Under the Canada-Alberta Job Grant, the employer is responsible for 44% of costs which still represents a financial barrier for some businesses; Although not tied to the Canada-Alberta Job Grant, the Training grant would allow businesses leverage both funding opportunities and reduce this commitment to just 9%. Furthermore, the second tier is designed to support training needs not covered under the Canada-Alberta Jobs Grant such as pro-serve or individual continuing education courses to help quickly upskill and train employees. Applications will be based on demonstrated business need.

### **Relationship to City Council's Focus Areas / Strategic Directions**

The following Result Definitions within City Council's 2019-2022 Strategic Plan apply to this issue:

**Economy:** Facilitates business development and job creation through incentives, resources, partnerships and "business-friendly processes".

No unusual environmental impacts.

### **Economic Impact**

The Economic Recovery Program Policy and the corresponding grant programs are designed to stimulate investment and support employment in the community in the wake of the COVID-19 pandemic and economic crisis by offering grant incentives to multiple industries and sectors in the community.

### **Social Impact**

The Economic Recovery Program Policy allows for participation across multiple sectors, businesses and organizations which are most in need in a time of economic crisis.

### **Relevant Statutes / Master Plans / City Documents**

Policy 318- Economic Recovery Program

### **Risk**

A granting program of this nature carries the risk of being either over or under subscribed based on community need and interest. Administration will continue to actively work with the Economic Recovery Subcommittee to assess the program uptake and bring forward recommendations for funding or amendments as required.

## **Alternatives (Optional)**

- 1) Receive for Information
- 2) Approve \$50,000 from the Economic Recovery Capital budget for the Training Grant and direct administration to bring an update back to council in six months time.

## **STAKEHOLDER ENGAGEMENT**

The proposed Training Grant has been designed based on the direction of the Economic Recovery Committee, made up by local business and community leaders. Further consultation was conducted with GPRC's department for Continuing Education, the Downtown Association and other training providers in the city.

## **BUDGET / FINANCIAL IMPLICATIONS**

Allocating the recommended \$100,000 to the proposed Training Grant would leave \$350,000 left unallocated in the Economic Recovery Capital budget. This would not impact the existing Beautification & Patio or Local Marketing Grants.

## **SUMMARY / CONCLUSION**

The Economic Recovery Committee is recommending the creation of a Training Grant to support businesses in training existing employees. This will support existing and previous grants such as the Professional Services Voucher Program and the existing Local Marketing Grant by setting businesses up for longevity by building capacity, maximizing existing staff and bringing major professional services in house. The proposed Training Grant is designed to complement the City's existing grant programs in addition to the Canada- Alberta Jobs Grant by covering 25% of training that meets the same criteria of the Canada-Alberta Job grant and 50% of training that is shorter term in nature and is not covered under the provincial program. The Committee is recommending a \$100,000 budget.

## **ATTACHMENTS**

ATTACHMENT A – Economic Recovery Program Policy Draft