



March 30, 2020

Honourable John Horgan
Premier of British Columbia
West Annex
Parliament Buildings
Victoria, BC V8V 1X4

Honourable Carole James
Minister of Finance and
Deputy Premier
Room 143
Parliament Buildings
Victoria, BC V8V 1X4

Honourable Lisa Beare
Minister of Tourism,
Arts and Culture
Room 151
Parliament Buildings
Victoria, BC V8V 1X4

Honourable Michelle Mungall
Minister of Jobs, Economic
Development and Competitiveness
Room 301
Parliament Buildings
Victoria, BC V8V 1X4

Dear Premier Horgan, Minister James, Minister Beare, and Minister Mungall,

April 1st is just around the corner. May 1st is coming soon after that. We don't know how long this pandemic will last. But we know that many of our small and medium sized businesses need help to pay their rent on April 1st and will likely need the same assistance in the coming few months. Many businesses were directed to close to slow the spread of COVID-19 and to reduce the burden on our healthcare system. Many others have done so voluntarily. We acknowledge their sacrifice.

As a group of community and business leaders who have been meeting twice weekly since the pandemic began to impact Victoria, we are asking you to immediately put in place rent relief measures to keep our local businesses afloat. They are the heart of our community.

We've been hearing about the need for rent relief from businesses for a couple of weeks now. And we're listening closely and watching for provincial measures designed to help them. The tax deferral measures you announced certainly help.

The \$40,000 interest free federal loan available to business for one year will also help and could be used to pay rent. But we also know that in a time of such uncertainty, debt, particularly debt that collects interest, is not an appropriate solution for businesses facing an unknown road to recovery.

Real estate is typically a long-term investment and is often less volatile than other investment options. Small and medium businesses on the other hand can feel declines far more acutely, especially when revenues go to zero in a matter of days. Restaurants and cafes have lost food, food retailers have best by dates to contend with, retailers have seasonal items that will not sell in the future, all kinds of contracts for services are cancelled, and insurance and hydro bills don't stop. All of this leads to huge challenges affording rent and justifiable angst about borrowing more money to do so.

We know some landlords have offered rent deferrals to their restaurant and retail tenants. We've heard that there are even some who have waived rent payments altogether for April and are prepared to do so for May. We appreciate these measures and we have called on all landlords to consider some kind of rent relief for their small and medium business tenants for the month of April.

But we also know that in an economic crisis we can't rely on the benevolence of individual property owners. We are also aware that some commercial landlords do not have the means to offer rent relief. We need government action.

Your rent relief program for residential tenants could be scaled up for commercial tenants hit by the COVID-19 pandemic. Or British Columbia could adopt programs put in place elsewhere.

Germany passed a law on Friday that prevents landlords from cancelling commercial leases due to rent debts for three months if the debts are due to COVID 19. Tenants must demonstrate they can't pay rent due to losses caused by COVID-19 related government requirements. The UK passed a similar law on March 25. It suspends a landlord's ability to evict a commercial tenant for nonpayment of rent due to COVID-19 related causes for three months.

Denmark provides compensation for some corporate related expenses including rent and leasing expenses. France has suspended water, gas, electricity and rent bills for small business.

Clearly there are examples to draw on. We'll leave the details to you to work out. Our request is that you act quickly. The future of our retail and service economy in Victoria and across the province and country depends on bold steps being taken right away. Supporting businesses now is an investment in recovery.

Sincerely,

Jeff Bray
Executive Director
Downtown Victoria Business Association



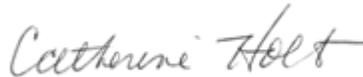
Elysia Glover
Executive Director
Community Micro Lending



Lisa Helps
Victoria Mayor



Catherine Holt
CEO
Chamber of Commerce



Stephen Pearce
President
Think Local First

