

Date: January 29, 2021	Originator's files:
To: Mayor and Members of Council	
From: Paul A. Mitcham, P.Eng., MBA City Manager and Chief Administrative Officer	Meeting date: February 3, 2021

Subject

Mississauga's Digital Main Street – Digital Service Squad Program

Recommendation

1. That Council advocate to the federal and provincial governments to provide additional funding to extend the City of Mississauga's agreement to deliver the Digital Main Street - Digital Service Squad Program from February 12, 2021 until December 31, 2021.
2. That the Mayor write to the Federal Minister of Economic Development and Official Languages and copy MPPs, MPs, AMO, FCM, MBOT, and local BIAs requesting support for the continuation of this program.
3. That this request be part of the City's 2021 federal and provincial pre-budget submissions.

Report Highlights

- The City of Mississauga has delivered the Digital Main Street – Digital Service Squad Program in two installments since 2019.
- The Program is delivered through EDO's MBEC and helps small businesses use the Internet to market and sell their products and services online.
- The Program is a success and is gaining momentum, having helped 167 Mississauga businesses since October 2020.
- The Program expires February 12, 2021.
- EDO requests that the federal and provincial governments extend Program funding to December 31, 2021, to help small businesses survive and thrive through the pandemic.
- An extension of this Program is requested in lieu of a new program, as set-up of this program takes up to three months and a significant amount of resources.

Background

Since 2019, the City of Mississauga delivered the Digital Main Street - Digital Service Squad Program through the Mississauga Business Enterprise Centre (MBEC) within the Economic Development Office (EDO). MBEC has delivered this Program in two installments serving 366 businesses, of which 167 were served from October 2020 to January 29, 2021. Businesses will continue to receive services until the current Program agreement expires on February 12, 2021.

BIA	# of Businesses in each BIA	Target # of Businesses for the Program	# of Businesses who were provided 1-1 assistance, so far
Clarkson	135	54	26
Cooksville	748	54	33
Malton	721	54	43
Port Credit	477	54	25
Streetsville	347	54	40
TOTAL:			167

The Program is funded by the Federal Economic Development Agency for Southern Ontario (FedDev Ontario) and the Province of Ontario, Ministry of Economic Development, Job Creation and Trade (MEDJCT), and administered by the Ontario Business Improvement Area Association (OBIAA).

The money has allowed MBEC to hire Digital Service Squad Members to provide one-on-one training and advisory services to main street business owners in local Business Improvement Areas (BIA's) and surroundings. This program delivers three overarching goals to businesses:

1. Achieve Digital Transformation;
2. Adopt Digital Tools and Technology; and
3. Compete in a Global Market.

The success of this Program has led to a number of significant accomplishments for local businesses, including:

- **Building Resilience for Small Business:** Implemented digital tools and technologies, and e-commerce platforms to support the innovation of main street small businesses. It has led to an increase in revenue and sustained growth through economic downturns such as the current COVID-19 pandemic. Examples include social media plans to manage engagement (marketing promotions and sales).

- **Providing Business Owners with Digital Tools and Technologies:** Delivered one-on-one consultations with business owners to support their individual digital needs, provided guidance, resources, and recommendations to increase sales through the use of new technologies. Examples include online booking systems that take online orders through their websites.
- **Adopting a Global Mindset:** Delivered digital marketing webinars hosted by the Digital Support Squad educating over 1200 registrants of digital technology, tools, techniques, and processes to strengthen their online sales and to compete globally, while closing the digital literacy gap for small businesses. Examples include educating business operators on how to use Internet analytics tools to track important data like consumer behaviour on their website, to increase their online sales.

The Program is included in Mississauga's Economic Recovery Small Business Plans, approved by Council on September 23, 2020.

Comments

Now more than ever, Mississauga's main street businesses need support to increase their presence online and to succeed in increasingly competitive and global markets. The small business community has been hard hit by the COVID-19 pandemic. The restrictions on traditional business activity resulting from the COVID-19 pandemic have created barriers to operating in a *bricks and mortar* market. This Program assists businesses to mitigate the loss of traditional revenue and to embrace new revenue models to combat the challenges of this pandemic.

Through this Program, EDO has assisted in the digital maturity of many businesses. For example, a consultation with a Digital Service Squad team member led to a local bike shop obtaining a Digital Transformation Grant to optimize their website for online shopping. This recommendation helped this business withstand the financial economic shock that was brought by COVID-19. Recently, a local spa was forced to shut down for a second time, but with the assistance of a Digital Service Squad team member they secured a Digital Transformation Grant, and now plan to implement an online booking system and advance their new social media marketing plans.

As the local delivery agent, EDO plays a direct role in the delivery of the Digital Main Street - Digital Service Squad Program to support business to adopt digital technology. Upon request, EDO also supports small business owners with completing their application to receive a Digital Transformation Grant offered by the Digital Main Street Program and make referrals to DMS partners like Shopify. The funding for Digital Transformation Grants is administered by the OBIAA through funding from the FedDev Ontario and MEDJCT.

EDO identified the need to continue delivering the Digital Main Street - Digital Service Squad Program for the foreseeable future. The continuation of this Program would mean giving our

Mississauga main street businesses an opportunity to compete in the global market, to remain accessible, relevant, and most importantly, open for business.

EDO is therefore seeking Council's support to request FedDev Ontario and MEDJCT provide additional funding to extend the City's current agreement to continue delivering this Program until December 31, 2021, and to provide additional funding to Digital Main Street to increase the availability of their Digital Transformation Grants.

Strategic Plan

The Digital Main Street - Digital Service Squad Program achieves the Prosper Pillar in the City of Mississauga Strategic Plan (2009). The Program will create a supportive environment to help small businesses innovate and provide a network of services and opportunities that businesses require to thrive in the digital economy.

Financial Impact

The extension of this Program requires that FedDev Ontario and MEDJCT provide additional funding to continue delivering the program until December 31, 2021. To do so, it would require an additional \$160,000 in funding. If additional funding is received, there would be no financial impact with the extension. If we cannot secure the additional funding, this Program will end on February 12, 2021.

Conclusion

The Mississauga Digital Main Street – Digital Service Squad Program will continue to serve as a lifeline for our main street small businesses. The demand for and value of this Program have proven timely, as businesses are forced to limit operations or shut down completely. As a result of this Program, businesses are given an opportunity to strengthen and promote their online offering and reach existing and new customers.

Mississauga is in a better position to support small businesses with the business adoption of digital technology, and to facilitate a faster and stronger economic recovery, through the delivery of this Program.



Paul A. Mitcham, P.Eng., MBA
City Manager and Chief Administrative Officer

Prepared by: Harold Dremin, Acting Director, Economic Development