

7 Mar 2022

Members and Chair
Strategic Priorities and Policy Committee

Deferral of incentive loan repayments and consideration of business case from Palace Theatre Arts Commons

Dear Colleagues,

The COVID-19 pandemic has been very difficult for many organizations. Bricks and mortar retail businesses that rely on foot traffic have been severely impacted. One of the measures council approved earlier in the pandemic, which was very helpful and much appreciated, was to defer the repayment of Community Improvement Plan incentive loans. This provided building owners who have improved their buildings through these programs with relief in terms of their cash flow at a time when they really needed it. As you know, in September 2021, council extended the deferral of repayments on these loans until the end of March 2022. Unfortunately, the rapid and wide spread of the Omicron variant has resulted in continued economic impacts on these businesses and organizations. A further deferral of loan repayments is appropriate, in our view.

In consultation with the City Treasurer, we recognize that this would be the final deferral, as the reserve fund balance is not likely to be sufficient to sustain deferrals beyond the end of 2022.

Several years ago the City of London made an interest-free loan to the London Community Players (now Palace Theatre Arts Commons) to allow the organization to make urgent repairs to the interior walls of the theatre, which were being damaged by water. We have deferred repayments of the remaining balance of this unique loan (\$78,749.83) along with the many CIP loans made through the incentive programs. Volunteers have kept the Palace Theatre Arts Commons going during the pandemic and we hope that you will consider approving the business case submitted by the Palace Theatre Arts Commons to forgive the remaining balance of this loan, which would tremendously help the organization recover from the impact of the COVID-19 pandemic.

The Palace Theatre is a pillar of the Old East Village and a driving force in revitalization. The benefits to the businesses and residents are far-reaching, and we feel that this investment in the Village will pay long-term dividends to the community as a whole.

We are therefore seeking your support of the following motion:

a) the Civic Administration BE AUTHORIZED to further extend the deferral period, on Community Improvement Plan loan repayments, on an interest-free basis for a further period of 274 days, being April 2022 to December 2022, where the applicant has requested a further deferral in writing; it being noted that the Jan 2023 loan repayments will be cashed as planned.

b) the Business Case from the Palace Theatre Arts Commons BE APPROVED and the Civic Administration BE AUTHORIZED to forgive the remaining balance of the interest-free loan to the London Community Players, in the amount of \$78,749.83, with the previously allocated LCRN community recovery funding as the source of financing.

Sincerely,



Jesse Helmer
Councillor, Ward 4



John Fyfe-Millar
Councillor, Ward 13