

Digital Boost – Business Recovery Program

Powered by Starter Company Plus, York Region and the City of Vaughan

The Digital Boost Small Business Resiliency Program is a training, mentorship and micro-grant program designed to support local small businesses and entrepreneurs during the COVID-19 crisis. Training and mentorship programming will focus on supporting local entrepreneurs in developing refined marketing strategies, digital marketing skills and tools, new revenue models and financial resiliency. Eligible entrepreneurs will have the opportunity to apply for up to \$5,000 in provincial and regional micro-grant funding to support the execution of their updated strategies.

Program Structure

Training

Training will take place from September through November 2020. Participating entrepreneurs must participate in a minimum of six training sessions from the following list. You must attend a minimum of five (5) digital marketing workshops, and one (1) financial workshop if you are considering applying for the provincial micro-grant.

Micro-grant Application

Eligible entrepreneurs who complete the training requirements above will have the opportunity to apply for a \$5,000 provincial micro-grant. Applicants will be required to submit the following by Thursday, November 19th, 2020 at 4pm:

1. Updated marketing strategy (template provided)
2. Completed grant spending budget and financial projections for two years (template provided)
3. Supporting documents
 - a. Master Business License or Articles of Incorporation
 - b. Proof of 3 months working capital as of February 1, 2020 (either cash savings or access to credit)*
 - c. Proof of business bank account
 - d. Signed Grant Agreement
 - e. Signed Consent and Release form

All templates will be provided by Small Business & Entrepreneurship (SBE) staff.

All applicants will have the opportunity to have a draft reviewed by SBE staff. Completed drafts must be submitted for review by Thursday November 5th at 4pm. Feedback and comments will be returned by end of day on Thursday November 12th.

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Mentorship

Approved applicants will participate in a mentorship program while executing the strategies presented in their application.

1. Virtual meetings with a business mentor
2. Arrange and attend meetings with 3 mentors via the Vaughan Business Café:
 - a. Create a profile on the Vaughan Business Café and arrange in-person or phone meetings with three mentors
 - b. <https://vaughan.tenthousandcoffees.com/signup>

Eligibility Criteria

Eligible businesses must:

- be located in and operate in Vaughan
- As of March 2020, have operated out of a commercial storefront or office space at a location other than the applicant's principal residence
- have been in full operation as of March 2020
- be able to demonstrate a 30% reduction in revenue over the previous year
- have access to at least 3 months working capital as of February 1, 2020 (either cash savings or access to credit)
- have not previously received a Starter Company or Starter Company Plus grant
- be an independent business and operate at arm's length from family business ventures
- maintain a separate business bank account
- comply with all government rules and regulations for operating a business
- have less than 10 full-time employees (or equivalents as of March 1, 2020)
- operate full-time (minimum 35 hours per week)
- Be a registered sole proprietorship, partnership or corporation where the applicant is the majority shareholder (application will require a copy of Master Business License or Articles of Incorporation)

Businesses not eligible to receive funding include:

- Businesses that are home-based or operate strictly online
- Entrepreneurs who have previously received a Starter Company or Starter Company Plus grant
- Distributorships
- Franchises
- Incorporated businesses that are controlled directly or indirectly by a person who would not be eligible for a Starter Company Plus Award
- Commissioned sales
- Not-for-profit or charitable enterprises
- Multi-level marketing ventures
- Single events such as: theatrical productions, a DJ gig, a music concert, a dance/party event, a fundraiser, a sporting tournament, etc.
- Businesses that are strictly pay per click or 1-900 businesses

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Eligible Use of Funds

Applicants approved to receive a provincial micro-grant must use the funds to improve the feasibility and resilience of their business.

Eligible use of funds include:

- Investments in development of new products or revenue streams
- Investments in enhancing digital presence of business (ie. executing digital marketing strategies, improvements or development of website)
- Hiring new employees*

Funds from the Digital Boost grant cannot be used:

- For the purchase or lease of a vehicle
- To service existing debts
- To make rent payments
- To cover general operating expenses

**specific criteria will apply*

Tax Treatment of Award

The Digital Boost award is considered taxable under the Canada and Ontario Income Tax Acts. A T4A slip will be issued to the recipient of the grant funding.

Program Reporting

If you are approved to receive a Digital Boost grant:

1. VBEC will issue you a cheque of \$3,500
2. Participants will be required to show proof of how the initial disbursement of the grant was spent (\$2,500) within 30 days
 - Send a .zip folder with receipts of at least \$3,500 to show proof the grant was spent on the items identified in the grant application

To receive the final disbursement of \$1,500, participants must submit the following on Thursday, March 18, 2021:

3. Updated Sales and Expenses - Monthly
 - Submit your monthly sales and expenses figures for December, January and February
 - Participants may update the cash flow projections submitted during the application process

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4. Demonstrate proof of business income
 - Businesses must demonstrate some business revenue in the three months since receiving the first grant disbursement
 - Participants may submit invoices, screenshots of online sales, or other proof of income
5. Updated Activity Log
 - Participants must demonstrate proof of full time (35 hours per week) involvement in their business
 - Activity log template to be provided
6. Complete Exit Interview
 - Participants will be asked to complete a written exit interview to provide data and feedback on the impact of the program
7. Attend all one-on-one mentorship meetings and demonstrate proof of three Vaughan Business Café connections

Participants who complete all program requirements listed above will receive the final grant disbursement of \$1,500.

Small Business and Entrepreneurship (SBE) reserves the right to disqualify any participant that, in its sole judgement violates the spirit of the program and its guidelines, process and rules. SBE and the grant review committee decisions are final.

SBE reserves the right to suspend, delay, modify or cancel these terms and conditions for any reasonable applicable law.

***Please note: Not all program participants will receive the provincial grant, but all are eligible to participate in training.*