

## GUIDE – SUBSIDY APPLICATION

### FINANCIAL ASSISTANCE FOR ESTABLISHMENTS LOCATED IN AN AREA UNDERGOING MAJOR WORK

*The aim of this guide is to help business owners prepare their subsidy application, as part of the Financial assistance program for establishments located in an area undergoing major work. It holds no legal value, and applicants should refer to the By-law establishing the financial assistance program for establishments located in an area undergoing major work (RCG 18-043).*

#### **GENERAL INFORMATION**

##### **Program objective:**

This program aims to provide financial support to businesses located in areas affected by major infrastructure work and whose gross benefits have been at least 5 % lower during a financial year coinciding with the major work.

##### **Calculation of gross benefit loss**

Gross benefits are defined in the program as the remaining revenue of an establishment less variable costs.

Gross benefit losses are defined as the difference between the benefits recorded during an eligible fiscal year covered by the duration of the construction work (eligible fiscal year) and the gross benefits recorded during one or more fiscal years preceding the beginning of the construction work.

##### **Amount of the subsidy:**

The Financial assistance program for establishments located in an area undergoing major work enables the city to grant subsidies to businesses whose gross benefits have dropped by more than 5%, up to a maximum amount of \$40,000 per fiscal year.

##### **Worksites covered by the Program:**

Two types of worksites are subject to this financial assistance program:

- 1) Major underground infrastructure construction sites run by the city, including the reconstruction of water or aqueduct conduits. These sites must be of a projected or actual duration of at least 6 months.
- 2) Public infrastructure construction sites run by the city or by the *Société de transport de Montréal (STM)*, that cause vehicular traffic hindrances. These sites must be of a projected or actual duration of at least 36 months.

The Program applies retroactively to city-run construction sites as of January 1<sup>st</sup>, 2016, and to *STM*-run sites as of September 21, 2017.

Eligible areas and dates for the application of the Program are designated by the city's executive committee. These areas are listed on the website:

[http://ville.montreal.qc.ca/portal/page?\\_pageid=9537,143244081&\\_dad=portal&\\_schema=PORTAL](http://ville.montreal.qc.ca/portal/page?_pageid=9537,143244081&_dad=portal&_schema=PORTAL)

### **Eligible commercial activities:**

In order to be eligible for financial assistance under this Program, businesses must operate in the retail, rental or service industries.

Massage services, as well as the following activities as defined by the North American Industry Classification System (NAICS, 2017) are excluded:

- 1) Professional, scientific and technical services (sector 54) other than interior design services (industry code 54141) and photography (industry code 54192);
- 2) Finance and insurance services (sector 52);
- 3) Health care and social assistance services (sector 62);
- 4) Real estate services (subsector 531), other than self-storage mini-warehouse services (industry code 53113);

Business owners must always refer to the By-law establishing the financial assistance program for establishments located in an area undergoing major work (RCG 18-043), in order to confirm their eligibility under the program.

### **Filing of a subsidy application**

All subsidy requests may be filed:

**By mail:**

Programme d'aide financière aux commerçants en  
situation de chantier majeur  
Service du développement économique  
700, de la Gauchetière Ouest, 28<sup>th</sup> floor  
Montréal (Québec) H3B 5M2

or

**By email:**

[aidefinanciere@ville.montreal.qc.ca](mailto:aidefinanciere@ville.montreal.qc.ca)

Every subsidy application must include the filled-out eligibility form available in schedule 3 or downloaded at:

[http://ville.montreal.qc.ca/pls/portal/docs/page/affaires\\_fr/media/documents/formulaire\\_de\\_mande.pdf](http://ville.montreal.qc.ca/pls/portal/docs/page/affaires_fr/media/documents/formulaire_de_mande.pdf)

The filled-out eligibility form must be provided with the following documents:

- 1) The information statement in Québec's Enterprise Register, at: <http://www.registreentreprises.gouv.qc.ca/fr/consulter/rechercher/>
- 2) a document establishing a proxy for any person acting on their behalf;
- 3) where required, a copy of the lease confirming that the business leases part or all of a building located in one of the designated areas;
- 4) a copy of the effective occupancy certificate;
- 5) the filled-out calculation grid (schedule 1);
- 6) financial statements for all eligible fiscal years, as well as for all comparable fiscal years to be considered under schedule 1;
- 7) income tax reports related to all eligible fiscal years as well as all comparable relevant fiscal years under the provisions of schedule 1;
- 8) where available, the businesses' notices of assessment related to eligible fiscal years, as well as to all comparable relevant fiscal years under the provisions of schedule 1;
- 9) the solemn declaration in schedule 2, filled out and signed in front of a commissioner of oaths.

## **SCHEDULE 1: Calculation grids**

*Various calculation grids are available, depending on the situation of every business. Please refer to the grid best suited for your situation.*

**GRID A:** *If you had completed two full fiscal years prior to the beginning of work;*

**GRID B:** *If you had completed only one full fiscal year prior to the beginning of work;*

**GRID C:** *If you had not completed a single fiscal year prior to the beginning of work.*

**A) Establishments having completed at least two fiscal years in the designated area, prior to the beginning of work.**

*For the purposes of this calculation grid, the following terms mean:*

*“Revenues”*: total gross revenues that an establishment generates for the business;

*“Variable costs”*: costs with a variation that is directly proportional to the revenues or level of commercial activity of an establishment, namely the cost of merchandise retailed, or the costs directly attributed to services rendered;

	Comparable fiscal year(s) (Note 1)		Eligible fiscal year(s)		
	Previous fiscal year 2	Previous fiscal year 1	Fiscal year 1	Fiscal year 2	Fiscal year 3
Revenues (\$)					
- Variable costs					
= gross benefit			(B)	(C)	(D)
Average gross benefits of comparable periods.	(A)				
Loss of gross benefits per period			(B-A)	(C-A)	(D-A)

Note 1: These fiscal years are the two fiscal years ending before the work begun under ordinance of the executive committee.

Previous fiscal year 2: Second-to-last fiscal year completed before the beginning of work.

Previous fiscal year 1: Last fiscal year completed before the beginning of work.

**SCHEDULE 1: Calculation grids (continued)**

*Various calculation grids are available, depending on the situation of every business. Please refer to the grid best suited for your situation.*

**B) Establishments having completed only one fiscal year in the designated area, prior to the beginning of work.**

*For the purposes of this calculation grid, the following terms mean:*

*“Revenues”*: total gross revenues that an establishment generates for the business;

*“Variable costs”*: costs with a variation that is directly proportional to the revenues or level of commercial activity of an establishment, namely the cost of merchandise retailed, or the costs directly attributed to services rendered;

	Comparable fiscal year (Note 2)	Eligible fiscal year(s)		
	Previous fiscal year 1	Fiscal year 1	Fiscal year 2	Fiscal year 3
Revenues (\$)				
- Variable costs				
= gross benefits	<b>(A)</b>	<b>(B)</b>	<b>(C)</b>	<b>(D)</b>
Loss of gross benefits per period		<b>(B-A)</b>	<b>(C-A)</b>	<b>(D-A)</b>

Note 2: This fiscal year is the fiscal year that ended before the beginning of work.

**SCHEDULE 1: Calculation grids (continued)**

*Various calculation grids are available, depending on the situation of every business. Please refer to the grid best suited for your situation.*

**C) Establishments having completed less than one fiscal year in the designated area, prior to the beginning of work.**

*For the purposes of this calculation grid, the following terms mean:*

*“Revenues”: total gross revenues that an establishment generates for the business;*

*“Variable costs”: costs with a variation that is directly proportional to the revenues or level of commercial activity of an establishment, namely the cost of merchandise retailed, or the costs directly attributed to services rendered;*

	Comparable fiscal period (Note 3)	Eligible fiscal year(s)		
		Period 1	Fiscal year 1	Fiscal year 2
Revenues (\$)				
- Variable costs				
= gross benefits	<b>(A)</b>	<b>(D)</b>	<b>(E)</b>	<b>(F)</b>
Number of months completed during the period prior to the beginning of work	<b>(B)</b>			
Extrapolation of gross benefits over 12 months (\$)	<b>C=(A/B)*12</b>			
Loss of gross benefits per period		<b>(D-C)</b>	<b>(E-C)</b>	<b>(F-C)</b>

Note 3: This period covers the number of months during which commercial activities were carried out without any construction work, during the establishments first fiscal year (partial or full). Since the establishment had not yet completed a full fiscal year prior to the beginning of work, gross benefits for that period were extrapolated over 12 months.

## SCHEDULE 2 – SOLEMN DECLARATION

### SOLEMN DECLARATION

I, the undersigned, \_\_\_\_\_

first name and last name

whose establishment is located at \_\_\_\_\_

current address of the establishment

do solemnly declare that:

1. Have read and understood the By-law establishing the financial assistance program for establishments located in an area undergoing major work (RCG 18-043) and I am requesting a subsidy in accordance with that same by-law.
2. Am aware of the fact that I am responsible for ensuring that my subsidy application is received by the *Service du développement économique* of Ville de Montréal within the deadlines prescribed in the Program.
3. Understand that all subsidies paid under the Program based on a false or incomplete declaration must be reimbursed to the city and consequently, I understand that I will not be entitled to filing any other application under that same by-law.
4. Understand that the city may, at any time prior to, or up to 2 years following payment of the subsidy, carry out a verification to ensure that all of the Program's conditions are met and demand any document or information required for that purpose.
5. Understand that the city may, at any time within the first 2 years following payment of the subsidy, carry out a verification of compliance with all conditions listed in the program, and demand any document or information required for that purpose.
6. Understand that the business must keep all documents pertinent to the subsidy application for the two years following payment of the subsidy.
7. Authorize the compilation of data for the purposes of documenting the type of businesses who apply for subsidies and I authorize the disclosure of this statistical review.
8. Declare that I have provided the city with truthful and complete information pertaining to the gross benefits and variable costs of my establishment for the duration of work, as well as for all comparable fiscal years.
9. Declare that the tax reports filed along with my subsidy application are in conformity with those filed with the federal and provincial governments.
10. Declare that the business on behalf of which I am requesting this subsidy is not listed in the *Registre des entreprises non admissibles aux contrats publics (RENA)*.
11. Declare that all information provided in this declaration is truthful.

Signed in \_\_\_\_\_, on this \_\_\_\_\_ day of the month of \_\_\_\_\_ two thousand

\_\_\_\_\_  
Applicant's signature

Solemnly declared before me, in \_\_\_\_\_, on this \_\_\_\_\_ day of the month of \_\_\_\_\_ two thousand \_\_\_\_\_

\_\_\_\_\_  
Name and address of the Commissioner of Oaths (or notary)

\_\_\_\_\_  
Signature of the Commissioner of Oaths

\_\_\_\_\_  
(identification number of the Commissioner of Oaths where applicable)



**SCHEDULE 3 – APPLICATION FORM**

**Subsidy application**

*Service du développement*

Financial assistance program for establishments located in an area undergoing major work

**A- Identification of the establishment**

Name of business or individual \_\_\_\_\_

Address \_\_\_\_\_ Postal code \_\_\_\_\_

Telephone number \_\_\_\_\_ Email \_\_\_\_\_

**B- Contact person**

Name of individual \_\_\_\_\_

Address \_\_\_\_\_

City \_\_\_\_\_ Postal code \_\_\_\_\_

Telephone number \_\_\_\_\_ Email \_\_\_\_\_

**C- Agent acting on behalf of the applicant (where applicable)**

Surname and name \_\_\_\_\_ Title \_\_\_\_\_

Address \_\_\_\_\_

City \_\_\_\_\_ Postal code \_\_\_\_\_

Telephone number \_\_\_\_\_ Email \_\_\_\_\_

**D- Information**

Type of commercial activity: \_\_\_\_\_

NAICS code: \_\_\_\_\_

Aside from your usual yearly closures, have you had to close temporarily since the beginning of work Yes \_\_\_\_\_ No \_\_\_\_\_

If yes, how long was your establishment closed for? \_\_\_\_\_ days

**E- Documents provided with application**

Information statement in the Enterprise Register	Attached	<input type="checkbox"/>	Does not apply	<input type="checkbox"/>
Proxy	Attached	<input type="checkbox"/>	Does not apply	<input type="checkbox"/>
Copy of lease	Attached	<input type="checkbox"/>	Does not apply	<input type="checkbox"/>
Copy of occupancy certificate	Attached	<input type="checkbox"/>		
Calculation grid	Attached	<input type="checkbox"/>		
Tax report	Attached(s)	<input type="checkbox"/>		
Solemn declaration	Attached	<input type="checkbox"/>		
Financial statements	Attached	<input type="checkbox"/>	Does not apply	<input type="checkbox"/>
Notice of assessment	Attached (s)	<input type="checkbox"/>	Does not apply	<input type="checkbox"/>

Name (print) \_\_\_\_\_ Signature \_\_\_\_\_ D | M | Y \_\_\_\_\_

**To file your application:**

**By mail:**  
 Programme d'aide financière aux établissements situés  
 Dans un secteur affecté par des travaux majeurs  
 Service du développement économique  
 700, de la Gauchetière Ouest, 28<sup>th</sup> floor  
 Montréal (Québec) H3B 5M2

or **By email:**  
[aidefinanciere@ville.montreal.qc.ca](mailto:aidefinanciere@ville.montreal.qc.ca)