



City of Mercer Island

COVID-19 Follow-up Business Survey Research Report

Research conducted June-July 2021
By Hardwick Research





BACKGROUND & METHODOLOGY



Background and Objectives

Many Mercer Island businesses have been faced with challenges due to the COVID-19 pandemic. The City has been working to support these businesses and help them weather the economic impact of this crisis.

To better understand the needs of all Island businesses an online survey was conducted in July-August of 2020. Now that the State of Washington is lifting business and activity restrictions (as of June 30, 2021), the City wishes to conduct a follow-up online survey. This survey will be used to reassess business needs to determine what:

- Has changed since last summer, if anything
- Challenges Mercer Island businesses are still facing
- Types of aid/support Island businesses still need
- New needs have arisen
- Ways the City can support the local business community

As a means to further communication between the City and Island businesses, contact information was gathered for those interested in staying informed and/or getting involved in the City's long-term economic development planning efforts.



Methodology

The 2021 online survey was conducted to gather feedback from Mercer Island businesses.

The research was conducted June 15 – July 7, 2021.

Invitations to participate in the survey were distributed via:

 Email to 962 Mercer Island businesses (176 surveys for a 18% response rate)

 250 Brick & mortar businesses (65 completes for a 26% response rate)

 712 Other businesses (99 completes for a 14% response rate)



Mercer Island Chamber of Commerce email newsletter (6 surveys)



City of Mercer Island email newsletter (6 surveys)

The questionnaire contained 19 questions, 5 of which were open ended, requiring an average of 10 minutes to complete.

The survey was designed by Nancy Hardwick, Hardwick Research, in conjunction with Sarah Bluvas, Economic Development Coordinator for the City of Mercer Island.

This research was gathered by Hardwick Research, who also conducted the analysis and developed this report.



2021 Participating Business Demographics

Compared to the previous survey, this year fewer home-based businesses completed the survey, the number of employees has decreased slightly, and significantly more retail businesses completed the survey.

Business Locations	Years in Business	Business Types
<ul style="list-style-type: none"> • North end (47%) • Home-based (39%) • Storefront (16%) • Office building (14%) • South end (4%) • No longer have business based on MI (5%) 	<ul style="list-style-type: none"> • Under 5 (28%) • 5-9 (24%) • 10-19 (26%) • 20 or more (22%) <p>Note: 12.8 average years in business</p>	<ul style="list-style-type: none"> • Consulting (17%) • Health/Wellness (15%) • Retail (14%) • Other professional services (11%) • Artist/Arts organization (9%) • Real estate (8%) • Financial services (7%) • Architecture/Engineering/Construction/Contractor (6%) • Fitness Studio/Gym (6%) • Legal services (6%) • Food/Drink service (5%) • Non-profit (5%) • Personal services (4%)
2020 Revenue	# Employees	
<ul style="list-style-type: none"> • Less than \$100K (33%) • \$100K-\$499K (24%) • \$500K-\$999K (11%) • \$1M and up (11%) • None (4%) <p>Note: Over half have 2020 revenue under \$500K</p>	<ul style="list-style-type: none"> • None (40%) • 1 (11%) • 2-9 (36%) • 10-24 (8%) • 25-99 (4%) • 100 and up (2%) <p>Note: 10.7 average number of employees</p>	



Report Annotations

Statistical Significance Testing

- All statistical testing for this study has been done at the 95% confidence level. The confidence level refers to how confident you are that all businesses in the targeted region would have responded this way. This industry standard guarantees, with 95% certainty, that these results are accurate.
- Statistically significant differences will be identified as such. "Trends," although not always statistically significant, are also identified.

Comparisons Over Time

- When applicable, comparisons over time have been included. In any situation where a difference is a statistically significant one, a red circle has been used to highlight that difference.

All Survey Responses

- In some situations, due to space limitations, survey answers that garnered 5% or fewer responses were not included in the slides. For a complete list of all responses, see the survey located in the Appendix of this report.



SUMMARY OF RESULTS



Key Findings

Business Challenges

- 36% report they are not currently facing any challenges. The primary challenges (top three) currently being faced due to COVID-19 are:
 - Business has decreased significantly (29%)
 - Keeping up with/figuring out the State-mandated COVID-19 rules (27%)
 - Trying to open/stay open, cannot find staff/my staff does not want to work (15%)
- 38% do not anticipate new challenges when activity restrictions are lifted. New challenges (top three) anticipated are:
 - Too much business/staffing concerns (15%)
 - Issue specific to my business (12%)
 - Keeping business up/continued decreased business (10%)

Remedies / Changes Implemented

- More than half (56%) chose to pursue financial assistance, with many (45%) taking advantage of the PPP
- Most survey participants (85%) have made changes due to COVID-19, including (top three):
 - Hold online meetings/ZOOM/meet with staff and customers online (18%)
 - Have employees work at home/remotely (13%)
 - Adapted business model to continue working during pandemic (12%)



Key Findings (Continued)

Information Sources

- About a third of businesses are aware of the Let's Talk webpage (36%), up slightly from last year's 31%. However only half (18%) of those who have heard of the Let's Talk webpage have visited
- Other information sources (top four) include:
 - Word of mouth (48%)
 - City of Mercer Island website (34%)
 - Nextdoor (31%)
 - Mercer Island Chamber of Commerce (31%)

City Programs & Support

- A majority of businesses want the City to continue projects to support local Island businesses:
 - Enact emergency policies to assist Island businesses (75%)
 - Coordinate MInext "buy local" marketing campaign to connect Island residents with Island businesses (62%)
 - Provide/redistribute outdoor seating for public spaces and other areas in Mercer Island Town Center (75%)
- On-going support varied with the most popular types of support being:
 - Coordinating special community events in Town Center and adjacent neighboring parks/public spaces (74%)
 - Coordinating Town Center beautification and seasonal decorations (66%)
 - Connecting your business with ways to partner with other local business to enhance/promote products/services (52%)
- Businesses expect to gain new business opportunities and support from other businesses through networking



Key Findings (Continued)

Business Community Desires

- Businesses want the City to explore program areas (top four):
 - Town Center visioning and/or master planning (40%)
 - Walkability in north and south end business districts (35%)
 - Business retention (33%)
 - City code review and updates/development (33%)
- Important actions the City could take to help their businesses include (top three):
 - Fostering/improving the community/attracting new businesses/Town Center master planning (17%)
 - Marketing/advertisement/allow signage (15%)
 - Improve Parking (14%)
- Businesses want information related to the local business community in the following areas (top four):
 - City wide economic development planning (including business attraction and retention) (45%)
 - Opportunities for networking with other businesses and/or organizations (43%)
 - Ways to promote/market business (40%)
 - Directory of Mercer Island businesses (38%)
- The City can strengthen the business community by (top three):
 - Improving the community/attracting new businesses/Town Center master planning/beautifying the City (31%)
 - Marketing/advertisement/allow signage (15%)
 - Address recommendations in this survey/listen to the business community/appreciate what businesses do for the City (10%)



Suggestions from Survey Respondents



"Incentives for new businesses to come to Mercer Island - attract new kinds of business."

"A more appealing downtown that entices people to MI, like more/better shops and restaurants."

Make north end downtown more interesting and cooler, attract higher end retail to make people come and stay. Use all the "wasted" spaces that don't serve to bring people to MI. Increase the aesthetics of the downtown through better architecture and urban planning.

"Attract businesses that make the northern downtown area more attractive for employees who are looking to get out at lunch."

"Support organizations within the community that provide services to businesses and to the greater community like the Chamber of Commerce, the Community Fund, MIYFS, etc. Maintain and enhance the town center landscape and parks, and support the arts and cultural events in the town center. Create gateway to/from Link Light Rail to the town center and greater community."

"Clean and beautify the business areas. Look at how Bellevue is beautifying its city. Clean, repair, beautify."

"Keep Mercer Island an excellent place to live with a beautiful robust downtown and beautiful parks so folks want to build, remodel and live here."

Business
Community
Development

"Assist in affordable marketing/advertisement."

"Be more understanding of signage I understand that you don't want things to look ugly and I agree, however, we also need to be able to advertise our businesses. There should be a middle ground on that."

"Spotlight businesses."

"The City of Mercer Island could sponsor a street fair for the local businesses and organizations like the City of Kirkland has done in the past handing out brochures and free samples."



Marketing





Suggestions from Survey Respondents

“

“Make it affordable to run a business on MI.”

“Creating more affordable commercial real estate. All my clients who live on Mercer island always talk about how nice it is to have quality businesses on the island but there aren’t many options. It keeps me busy for sure but I don’t know about the long term. If I have to move out (6 months leases at a time and room sharing), where am I going to go. It’s not like Bellevue where I can just find another spot. It’s hard to find places on the island.”

“Keep commercial rent rates at a reasonable and competitive rate.”

“My rent is extremely high on MI I am thinking of selling my business.”

Affordable Space

“Acknowledge how hard all of the business owners work to provide goods and services to our residents. Many of us have sacrificed personal time, a paycheck, taken verbal abuse from unappreciative customers, dealt with theft, etc. over the years. Respect, appreciation and courtesy go a long way!”

“Address the questions and recommendations answered in this survey.”

Appreciate, Listen to Businesses

Parking

“Keep street parking free for as long as possible, but enforce time limits especially once light rail comes.”

“Provide more public parking.”

“The City could and should have a plan for parking. Putting public parking in buildings like the Hadley mostly go unused by the people who frequent the businesses located on the first floor. The new buildings that go up should have outdoor parking (not indoor or underground) available for people to park when using retail.”

”





CONCLUSIONS & RECOMMENDATIONS



MI Businesses in Better Situation than a Year Ago

As a whole, Island businesses are in significantly better situation than they were a year ago.

Improvements

Businesses are:

- More likely to say they are not currently facing any challenges
- Less likely to say business had decreased significantly
- Less likely to say they have had to cut employees hours
- More received some type of financial assistance since the last survey

Concerns

However, staffing concerns are an issue. Business are significantly more likely to say they are trying to stay open, but cannot find the needed staff.

Businesses Want the City to Keep Them in the Loop



About 60% of those who completed the survey added their contact information in order to stay informed and/or get involved in the City's long-term economic development planning efforts.

This high interest in the City's plans for economic development in the Town Center is reflected in the survey with recommendations regarding changes to improve the Town Center shared in the open-ends.

Communication

Communication with Island businesses will be very important going forward. Targeted emails and communication through the City's website (34% report using it as a resource) would be ideal.

- Although awareness of the City's Let's Talk webpage has increased, it still is not visited by businesses (only 6% indicate it's a source of information)
- Keep in mind, this group of businesses are looking to be kept up specifically on economic development plans, not all things Mercer Island, as they have a vested interest in any changes or updates to the Town Center

Types of Desired Information

Nearly half of all businesses surveyed (45%) indicate they are interested in receiving the following types of information from the City:

- City-wide economic development planning (including business attraction and retention) (45%)
- Opportunities for networking with other businesses and/or organizations (43%)
- Ways to promote/market business (40%)



Create Networking Opportunities for Businesses

Throughout the survey, businesses indicated that the opportunity to network with other Island businesses in important.

Networking Advantages

Businesses see networking as a way to:

- Partner with other businesses to enhance/promote products/services
- Provide referrals and uncover possible business opportunities
- Support and connection with others

The City Should be Involved

Island businesses would like the City of Mercer Island to help by providing opportunities for networking with other businesses and/or organizations.



Businesses Looking for Continued Support

City is Already Doing/Should Continue

Changes the City has already put into place are popular among businesses, with many of them declaring the City should continue with them.

- 75% want the enacted emergency policies to assist Island business to continue
- 75% would like to see the outdoor seating in public spaces remain

62% of businesses are supportive of MInext, while businesses in the North End and brick & mortar businesses make up many of those suggesting the City stop this effort (15%).

Future Needs/Desires

The need for rent relief (21%) and making it less expensive to do business was raised by some; however, many other avenues for the City to support businesses surfaced. The top two ways the City can support businesses center on developing a thriving Town Center.

- 74% would like to see special community events in the Town Center and adjacent public spaces
- 66% want Town Center beautification and seasonal decorations



The City Should Concentrate on Town Center

Suggestions	Ideal Town Center
<p>Mercer Island businesses would like to see the City work to improve the Town Center. Many see these improvements as a way to boost their business. Suggestions include:</p> <ul style="list-style-type: none">• Holding special community events in the Town Center and adjacent public spaces (74%)• Beautifying the Town Center and installing seasonal decorations (66%)	<p>Businesses describe their ideal Town Center as:</p> <ul style="list-style-type: none">• Walkable• Cute• Clean• Inviting• Welcoming• Beautified• Cooler• Well-maintained• Safe• More interesting

Consider engaging local groups (e.g., garden clubs, service organizations, business owners) to beautify/maintain plantings, sidewalks, seating areas in the downtown business district.



A Thriving Town Center is Key

Important Policy/Programs to Businesses

The top policy or program areas the City should explore on behalf of local businesses are:

- "Town Center visioning and/or master planning" (40%)
- "Walkability in north and south end business districts" (35%)
- "Business retention" (33%)
- "City code review and updates/development" (33%)

Desired City Actions

The desire for a thriving Town Center also surfaces when businesses shared the one action the City could take to help their business. Specifically, businesses would like to see the City assist with:

- Fostering/improve community/attract new businesses/Town Center master planning (17%)
- Marketing/advertising/allow signage (15%)
- Improve parking (14%)



Consider Suggested Updates for the Town Center

Businesses' Town Center Wish List

Businesses would like the Town Center to have:

- More restaurants
- Upper end restaurants
- High end retail
- More people and activity
- Incorporate more public spaces
- Sidewalk/outdoor seating
- 3 minute pick-up parking spots or curbside zones
- Parking (lack of parking is an issues in some areas and not others)

Desired City Actions

According to businesses surveyed, the City should work to help develop a Town Center that:

- Attracts on-island and off-island shoppers
- Is a place for families
- Is a vibrant community where people want to live
- Encourages development that brings in more people, businesses, provides low income housing
- Redevelop underutilized areas of downtown
- Keeps the cost of opening a new business (City permit fees and studies) to a minimum



Continue Open Communication Efforts

Communicate with the Community

As the City of Mercer Island continues to work on its long-term economic development efforts, gathering feedback from community members (businesses and residents) will be critical.

- To encourage future participation, be sure to share the results of any research or community information gathering efforts with constituents
- Consider surveying residents to understand what they envision for the north and south end business districts
- Consider bringing together a task force of Island businesses owners and residents to assist with economic development planning

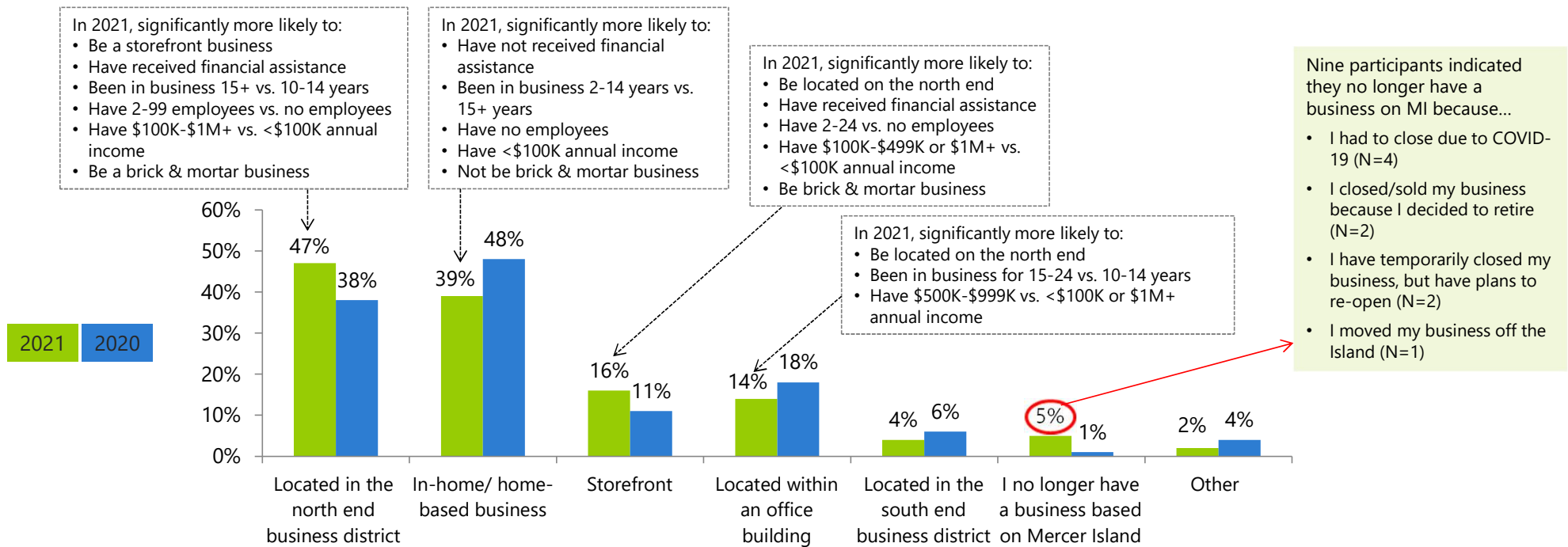


DETAILED FINDINGS



More North End Businesses Responded this Year

The survey was distributed to all businesses on Mercer Island. Of those who responded this year, 47% are businesses located in the north end business district, an increase from 2020

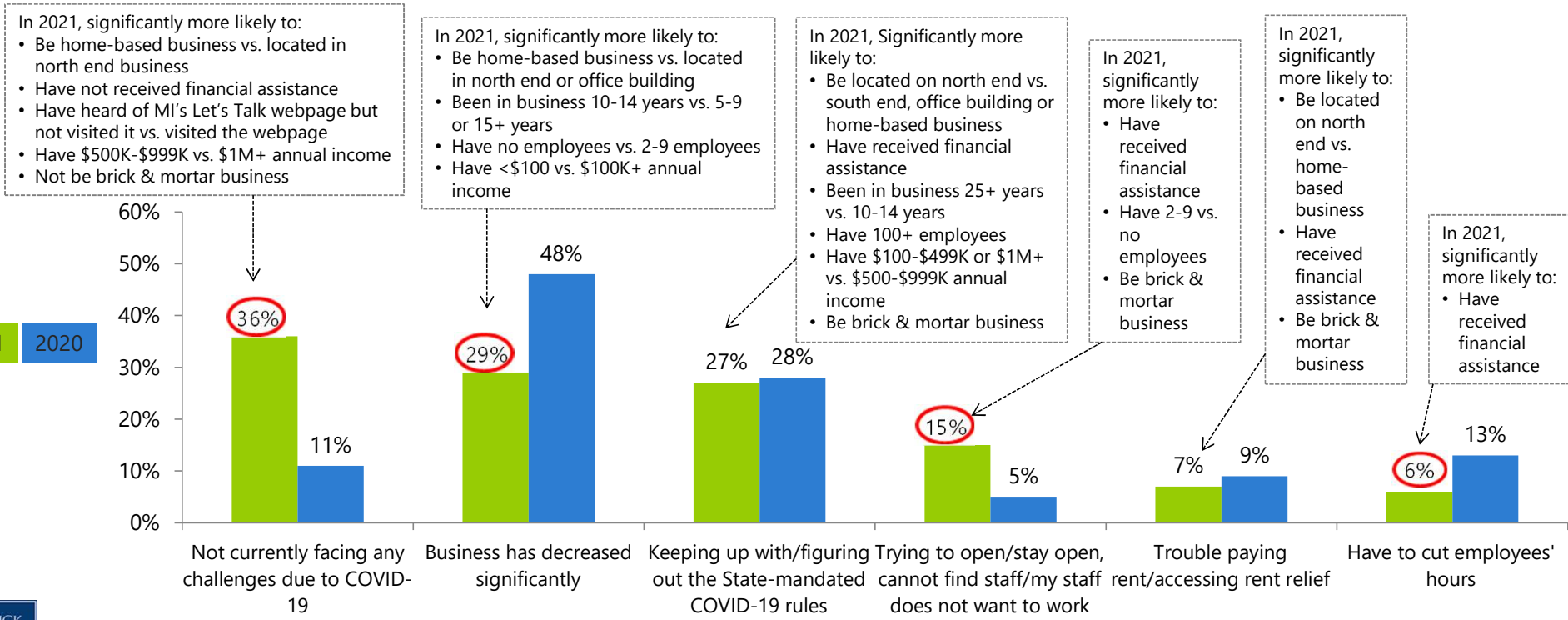


Q1. Which of the following best describes your business location? (2021 N=176, 2020 N= 269) (multiple responses allowed)
 Q20. You indicated that you no longer have a business on Mercer Island. Which of the following best describes your situation? (Check all that apply) (2021 N=9)



Businesses Facing Fewer Challenges in 2021

There is positive news for MI businesses, as more indicate they are not currently facing challenges due to COVID-19; their business has not decreased significantly and they have not had to cut employees' hours. However, more are challenged by trying to stay open/cannot find staff/staff does not want to work.



Q2. What challenges are you facing, at this time and going forward, due to COVID-19? (2021 N=143, 2020 N= 238) (multiple responses allowed)



Some Anticipate New Challenges after June 30th

Those who anticipate a challenge noted “too much business/staffing concerns” (15%) will be an issue. Over a third of respondents (38%) indicate they do not anticipate facing any new challenges when business and activity restrictions are lifted.

New Challenges Anticipated	2021
Too much business/staffing concerns	15%
Issue specific to my business	12%
Keeping business up/continued decreased business	10%
Exposure to virus/how to handle new cases	8%
Masks/will still require/may still require	8%
Parking	4%
Increased traffic/commuting time	3%
None/Don't foresee any	38%
Other	8%
Don't know/no reason	2%

“

“A sudden uptick in customer flow and not being able to staff fast enough.”

“More of the same challenges managing work load short staffed.”

“As a healthcare professional, we are still navigating mask requirements. Do we require masks and upset some people? Or do we not require masks and upset the other people? Still looking to the health department for guidance but also need to weigh patient comfort level and expectations.”

“Finding employees. Navigating unclear protocols! We all need to be on the same page.”

“Not enough staff, staff still feel uncomfortable with clients not wear face coverings/masks or mask mandate is lifted.”

“Pandemic restrictions have made potential customers aware of the ease of online shopping. After a year of shopping from home our challenge will be to motivate them to get in the car and go shopping.”

”

Q3. What new challenges do you anticipate facing when business and activity restrictions lift on June 30th? (Please be as specific as possible.) (2021 N=143) (open-ended question)





More Businesses Sought Assistance in 2021

This year more respondents indicate they received financial assistance through a number of Federal, State and local programs.

Type of Assistance	2021	2020
Paycheck Protection Program (PPP)	45%	39%
I have not pursued any financial assistance	44%	48%
SBA Economic Injury Disaster Loan (EIDL)	17%	14%
Mercer Island COVID-19 Relief for Small Businesses Grant Program	13%	N/A
Working Washington Small Business Emergency Grant	9%	2%
Deferred or reduced rent for commercial space	9%	N/A
WeLoveMI campaign	7%	7%
Other private loan or grant programs (e.g., Facebook Small Business Grant Program)	4%	3%
Private loans, lines of credit, etc. from your banking institution	3%	3%
I applied for some of these, but did not receive any financial assistance	3%	3%
Other Federal, State, or Local funding sources	1%	2%

In 2021, significantly more likely to:

- Not be home-based business
- Have visited MI's Let's Talk webpage vs. heard of but have not visited
- Have been in business 15-24 years vs. < 15 years
- Have 2-99 employees vs. no employees
- Have \$100K-\$1M+ vs. <\$100K annual income
- Be brick & mortar business

In 2021, significantly more likely to:

- Be home-based or south end business
- Have heard of MI's Let's Talk webpage but not visited it vs. visited the webpage
- Have been in business <15 or 25+ years vs. 15-24 years
- Have no employees vs. 1-99 employees
- Have <\$100K vs. \$100K+ annual income
- Not be brick & mortar business

In 2021, significantly more likely to:

- Be north end vs. home-based business
- Have been in business 2-4 years vs. 10-14 years
- Be brick & mortar business

In 2021, significantly more likely to:

- Be north end or storefront vs. office building business
- Have received financial assistance
- Have 10-24 employees vs. no employees
- Not be brick & mortar business



Q4. Have you received any of the following financial assistance during the COVID-19 crisis? (2021 N=139, 2020 N= 269) (multiple responses allowed)



Changes Made Varied Widely

Over the past year participants found the following changes helped in maintaining their business:

Helpful Changes Made Due to COVID-19	2021
Online meetings/ZOOM, meet with staff and customers online	18%
Employees work at home/remotely	13%
Adapted business model to continue working during pandemic	12%
Cutting expenses	8%
Develop/increase online presence/sales	8%
Masks/PPE	7%
Reduced hours of operation	6%
Pick-up/delivery of goods/to go	5%
Social distancing/Safety protocols/Reconfiguring space for distancing	5%
Conducted more business outdoors	4%
Extra cleaning/sanitizing/air filters	4%
Following rules/guidelines (general)	4%
Reduce number of staff/customers in facility/office	4%
None	15%

“We adjusted business hours, installed Plexiglas barriers, secured PPE for every associate at the beginning of every shift, social distancing decals and signage, safety announcements on in-store radio, offer vaccination incentives (\$), invested in extra pay and bonuses for associates, paid time off for family members with COVID, suspended all doorway activities for enhanced safety, and paid for extra deep cleaning on a regular basis.”

“Adjusted operating hours, staffing, usage patterns. We maintained a high focus on COVID-19 mitigation protocols, moved programming online.”

“We reduced our capacity and adhered and followed social distancing along with federal, state and CDC guidelines.”

“Extra sanitizing. Staff mask wearing. More strict health policies. Outside drop off with parents mask wearing. Purchase of air filters.”

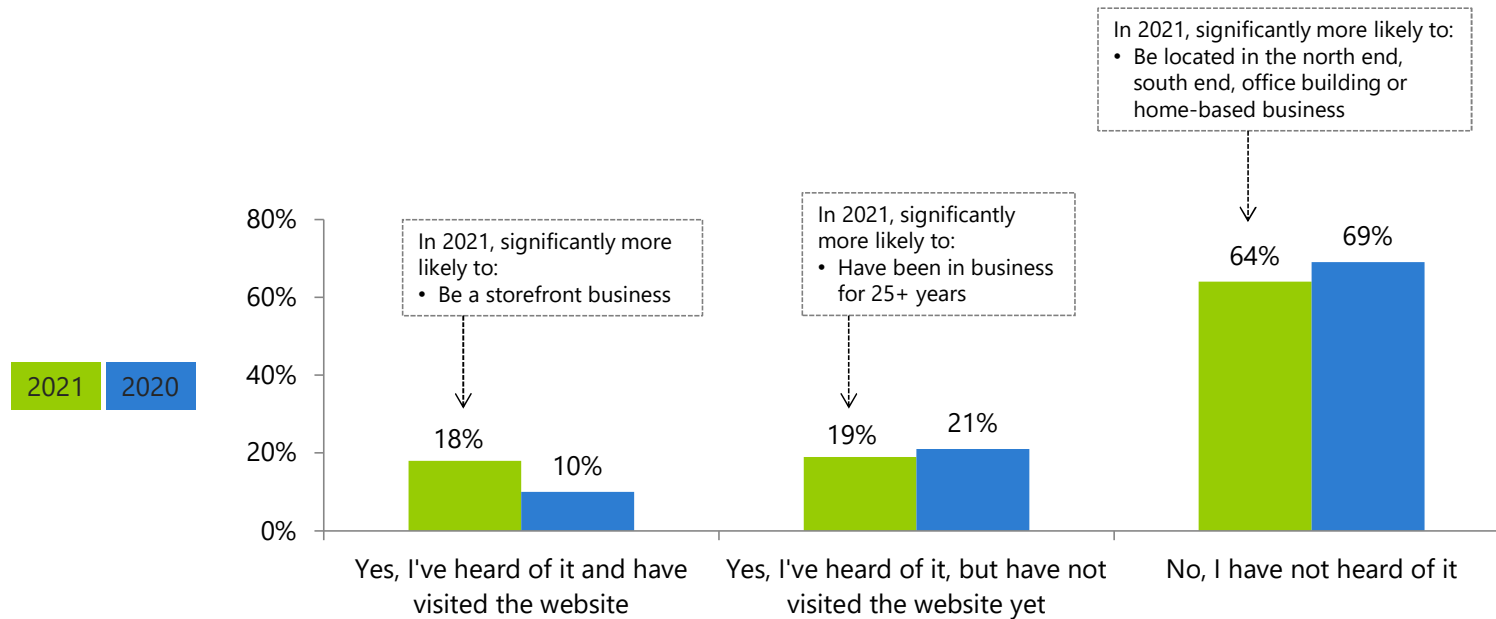


Q5. Over the past year, what changes did you make, due to COVID-19, that were helpful in maintaining your business? (N=136) (open-ended question)



Awareness of the Let's Talk Webpage Remains Low

The majority of those surveyed (64%) have not heard about the City of Mercer Island's Let's Talk webpage for businesses.

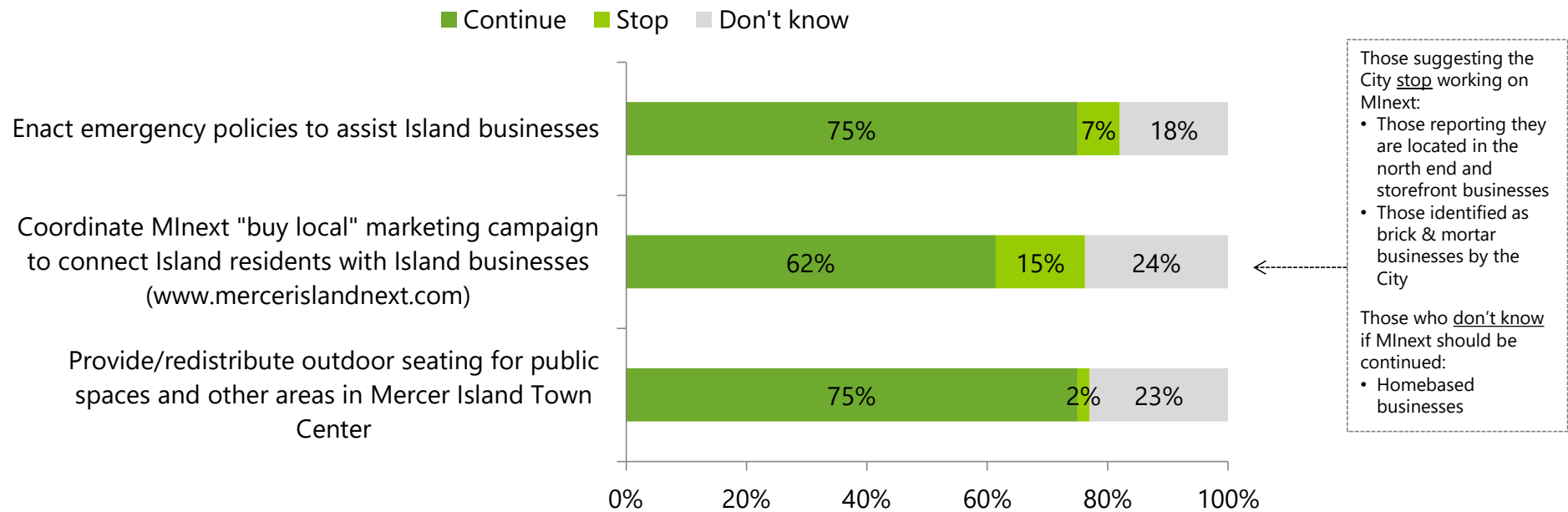


Q6. Have you heard of the City of Mercer Island's Let's Talk webpage for businesses found at "letstalk.mercergov.org/coronavirus_business"? (2021 N=137, 2020 N= 237)



Most Want City to Continue Pandemic Support

During the pandemic the City of Mercer Island implemented several projects to support local businesses. The majority of businesses surveyed would like to see the City continue these efforts. However, support for MInext was not as strong, especially among brick & mortar businesses.

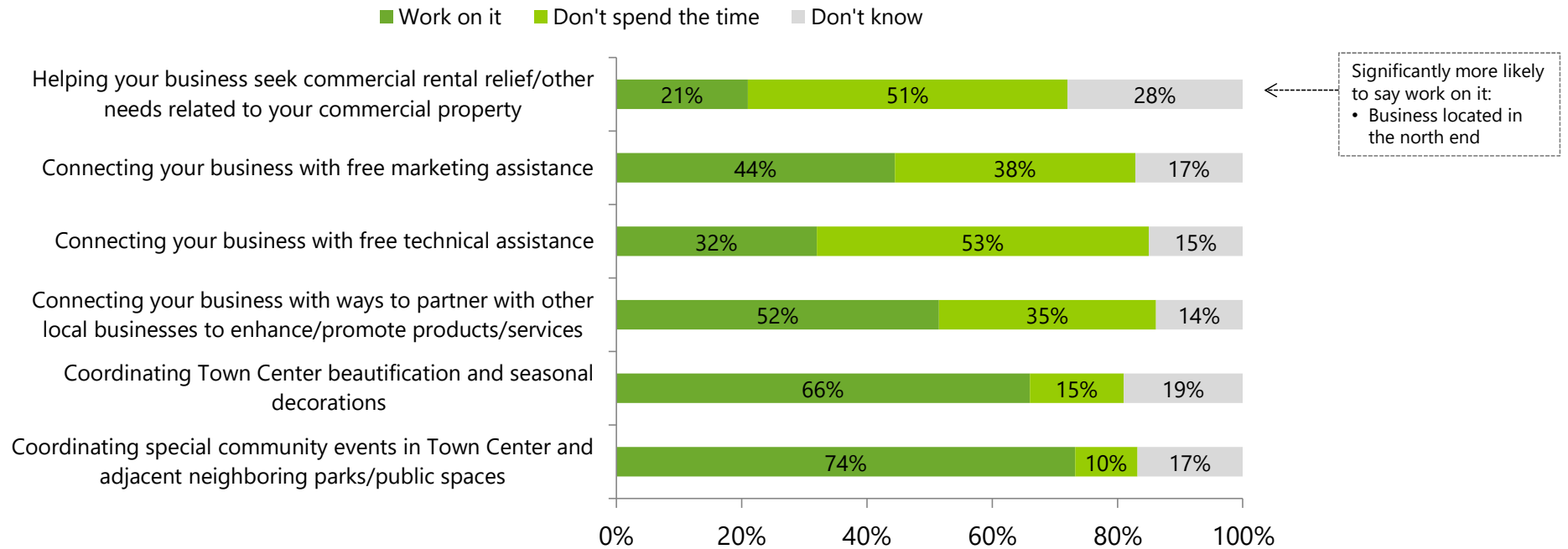


Q7. During the COVID-19 pandemic, the City of Mercer Island implemented several projects to support local Island businesses. For each of the following projects, please indicate if the City should continue or stop working on them. (2021 N=136)



Town Center Beautification and Events Desired

Businesses were provide a list of potential ways the City of Mercer Island can support them. Efforts related to the Town Center (including beautification and community events) topped the list. Interest in these efforts is consistent across business type.



Significantly more likely to say work on it:
 • Business located in the north end



Q8. The City of Mercer Island continues to seek ways to support local businesses during and after the pandemic recovery. For each of the following efforts, please indicate if you feel the City should work on them or not. (2021 N=133)



Business' Network for New Business

The benefits respondents most often mentioned related to referrals and new business opportunities (21%) or support and connections (20%).

Benefits	2021	
Partnership/referrals/collaboration/possible business opportunities	21%	Significantly more likely to: • Be a south end business
Support/networking/connecting	20%	
New opportunities/growth (general)	14%	Significantly more likely to: • Be a home-based business
Awareness of my business/other businesses/advertisement	13%	
Community benefits/growth	13%	Significantly more likely to: • Be located in an office building
Not a priority for me/no benefit to my business	9%	
None/Nothing	3%	
Other	9%	

“Potential new clients and contacts.”

“I would like to see networking opportunities for medical/health care related businesses for cross referral.”

“Awareness of services and improvement to the health of the community.”

“If COVID taught us anything, it’s that we’re better together! Meeting local business owners and members and networking with the community.”

“Referrals & encouragement of other businesses to refer to other local businesses for services & products available ON ISLAND within the community are always a good idea. Maybe a resource list of ‘did you know’ you could buy this or that on Mercer Island...”

“This is not the business of government. There are plenty of business organizations and industry groups to assist with this and more to help businesses stay open, find talent, grow, market, etc.”



Q9. Results from the previous survey indicated interest in networking opportunities with other Island businesses. What specifically would you hope to gain from networking with these other businesses? (2021 N=94) (open-ended question)



Town Center Master Plan Most Important

Potential Actions	2021	
Town Center visioning and/or master planning	40%	
Walkability in north and south end business districts	35%	
Business retention	33%	
City code review and updates/development	33%	← Tend to be mentioned more often by: • Storefront businesses
Community-wide branding and marketing	26%	
Business attraction	25%	← Tend to be mentioned more often by: • North end businesses
Funding mechanisms to support local businesses	21%	
Tourism development	15%	
Sustainability/"green" business programs	13%	← Tend to be mentioned more often by: • Home-based businesses
Business innovation programs	10%	
Helping people find their way to/from north and south end business districts	6%	← Tend to be mentioned more often by: • South end businesses
Don't work on any of these	2%	
Don't know what to suggest	2%	
Other	10%	

Respondents were asked to select the top three policy or program areas they want the City to explore on behalf of local businesses. Not surprisingly, 40% selected Town Center visioning and/or master planning as one of their top three choices.

Other areas important to over a third of the respondents include "walkability in north and south end business districts," "business retention" and "City code review and updates/ development."



Q10. Looking forward, the City of Mercer Island is embarking on long-term efforts to support and strengthen the Island business ecosystem. In 2021, the city has begun looking at Town Center retail requirements and issues related to public and commuter parking. Thinking long-term, what are the top three policy or program areas you would want the City to explore on behalf of local businesses? (2021 N= 126) (up to three responses allowed)



Create a Thriving Town Center

When asked what one action the City could take to measurably help your business, many comments reflected a desire to develop a thriving commercial community.

Action City can Take to Help Businesses	2021
Foster/improve community/attract new businesses/Town Center master planning	17%
Marketing/advertisement/allow signage	15%
Improve parking	14%
Affordable office space/better lease options	5%
Offer grants/financial support/decrease taxes	5%
Address light rail issues	4%
Safety	4%
Better communication	3%
Promote buy local	3%
Other	18%
None/Nothing	5%
Don't Know	14%

“Attract good quality small business to Mercer Island. Doing so is a win-win for all! Not sure how best to achieve it other than follow other desirable Town Centers in how they've managed their Master Planning, Marketing, Incentives, access to waterfront, etc. ... We also need to find ways to connect with Seattle & Bellevue (and beyond). Partnering with other Town Centers may strengthen our cause...”

“Some kind of MI centered ad campaign to showcase businesses on the Island and what we can provide to the community would be helpful.”

“Parking!! Town Center will be overwhelmed by the continuing development of condos and apartments with parking policies that force the owner/tenants to park on the street. Better, larger signage that lets Islanders know that they can park in the public parking areas of existing and future Town Center buildings.”



Q11. What one action could the City of Mercer Island take to measurably help your business? (2021 N=123) (open-ended question)



Word of Mouth Still Top Source for Information

Word of mouth followed by the City of Mercer Island website remain top sources for information regarding Mercer Island businesses.

Information Source	2021	2020
Word of mouth	48%	39%
City of Mercer Island website	34%	37%
Nextdoor	31%	30%
Mercer Island Chamber of Commerce	31%	21%
Mercer Island Reporter	27%	33%
The City's "MI Weekly" e-newsletter	20%	21%
MyMercerIsland.com (website/email newsletter)	12%	14%
Facebook - The City of Mercer Island	12%	10%
City of Mercer Island's "Let's Talk" page with COVID-19 resources for businesses: letstalk.mercergov.org	6%	5%
MInext website www.MercerIslandnext.com	4%	-
I don't access information regarding the Mercer Island business community	15%	18%

In 2021, significantly more likely to be accessed by:

- North end and home-based businesses vs. office buildings
- Those with 100+ employees



Q13. Where do you currently access information regarding resources and opportunities for the Mercer Island business community? (2021 N=124, 2020 N= 216) (multiple responses allowed)



Want Info on City Development and Networking

Businesses were provided a list of potential ways the City of Mercer Island keep business informed about City processes and updates that impact the business community. Information on City wide economic development planning and opportunities for networking with other business topped the list.

Type of Information	2021
City wide economic development planning (including business attraction and retention)	45%
Opportunities for networking with other businesses and/or organizations	43%
Ways to promote/market business	40%
Directory of Mercer Island business	38%
City permitting requirements and process	32%
City tax requirements	32%
Opportunities for accessing funding (grants, loans, tax credits, etc.)	32%
City impact fee requirements	20%
Don't know what to suggest	11%
Nothing	10%
Other	2%

Significantly more likely to:

- Be north end, storefront or office building vs. home-based
- Have received financial assistance
- Have been in business 15-24 years vs. <2 years
- Have 10-99 employees vs. no employees
- Have \$1M+ vs. <\$1M annual income
- Be brick & mortar business

Significantly more likely to:

- Have \$100K vs. \$500-\$999 annual income

Significantly more likely to:

- Be office building vs. south end business
- Have received financial assistance
- Have 10-24 employees vs. <2 employees



Q14. The City of Mercer Island is working on ways to help Island businesses stay informed about City processes and updates that impact the business community. What type of information related to the local business community are you interested in receiving from the City? (2021 N=123) (multiple responses allowed)

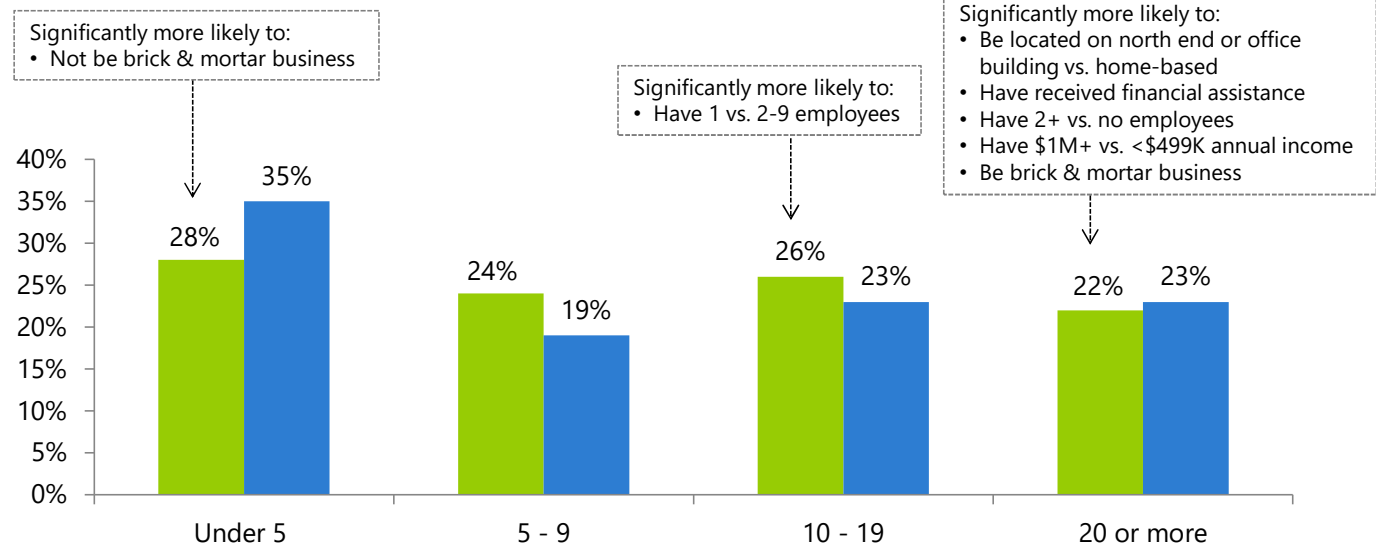


Demographics – Years in Business

This year research participants have been in business an average of 12.8 years.

On average business categorized by the City as brick & mortar stores are significantly more likely to have been in business longer (average of 6.8 years) than rest of the businesses surveyed (average of 10.1 years).

	2021	2020
Average years in business	12.8	12.5



Q15. How many years have you been doing business on Mercer Island? (2021 N=123, 2020 N=208)



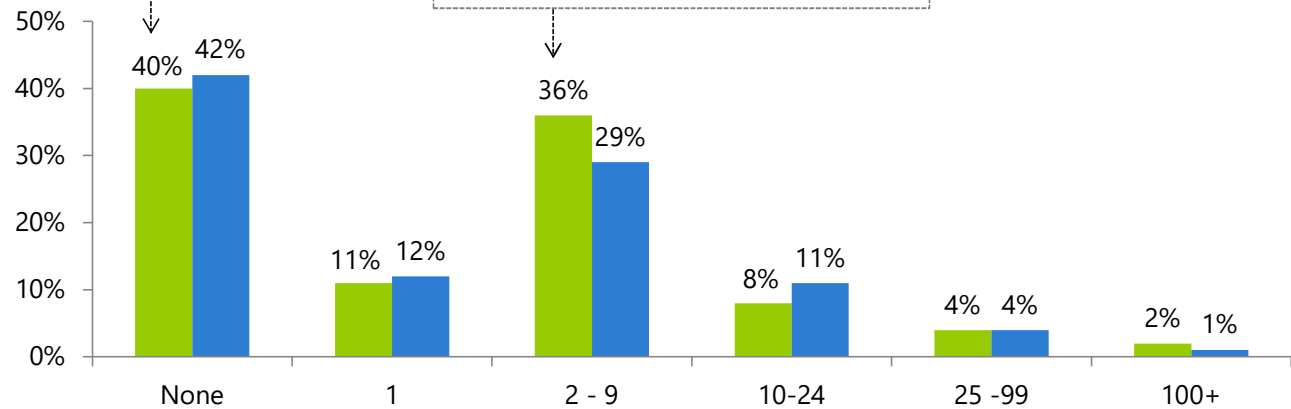
Demographics – Employee Count

This year's participating businesses had a slightly lower average number of employees (10.7 employees vs. last year's 12.5 employees).

- Significantly more likely to:
- Be located on north end, office building or home-based vs. storefront business
 - Have not received financial assistance
 - Been in business <15 vs. 15+ years
 - Have <\$100K vs. \$100K-\$999K annual income
 - Not be brick & mortar business

- Significantly more likely to:
- Be located on north end, storefront or office building vs. home-based business
 - Have received financial assistance
 - Been in business 5-9 or 15-24 vs. 10-14 years
 - Have \$100K-\$999K vs. <\$100K annual income
 - Be brick & mortar business

	2021	2020
Average number of employees	10.7	12.5

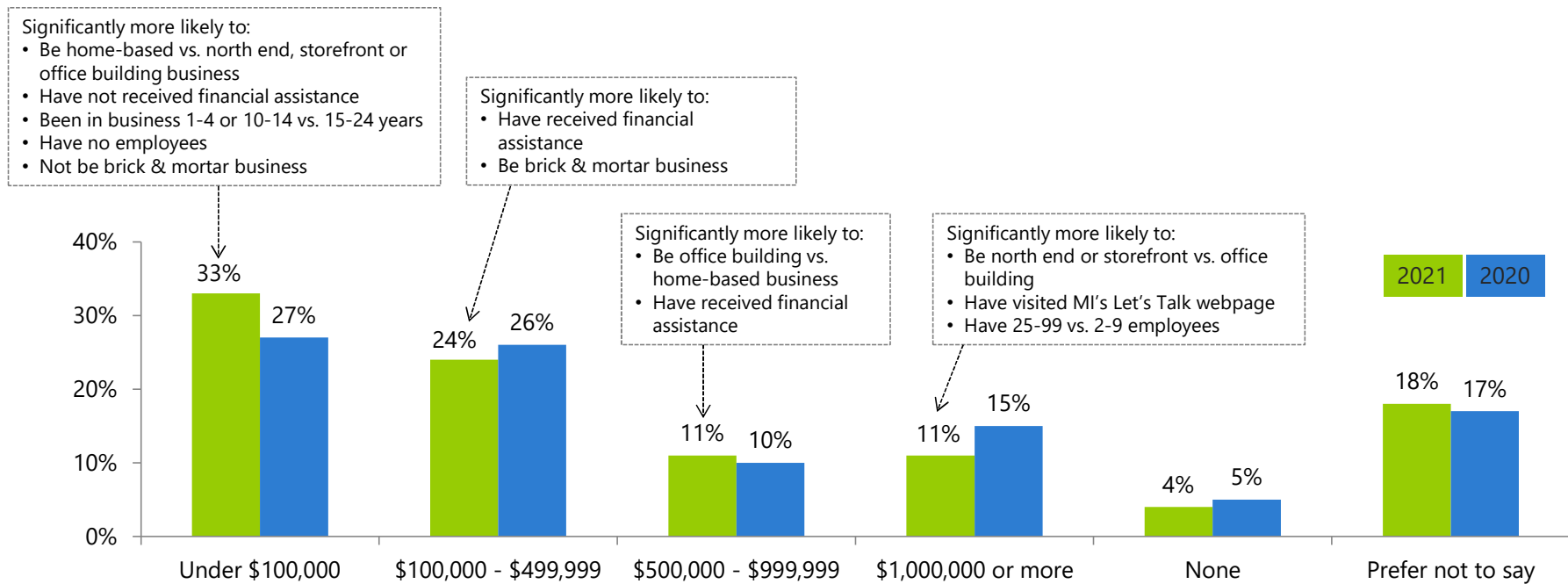


Q16. How many employees (full or part-time) do you have? (2021 N=123, 2020 N=210)



Demographics – Annual Revenue

Over half (57%) of businesses that participated in this survey report 2020 revenue under \$500K.



Q17. What is your annual revenue for 2020? (2021 N=123, N=209)



Demographics – Business Type

Type of Business	2021	2020
Consulting	17%	20%
Health/Wellness (dentist, physical therapist, acupuncture, etc.)	15%	11%
Retail	14%	6%
Other Professional Services	11%	7%
Artist/Arts Organization	9%	5%
Real Estate (commercial, residential, lending, etc.)	8%	6%
Financial Services (banking, CPA, financial planning, etc.)	7%	9%
Architecture/Engineering/Construction/Contractor	6%	9%
Fitness Studio/Gym	6%	6%
Legal Services	6%	5%
Food/Drink Service	5%	7%
Non-profit	5%	2%
Personal Services (hair salon, nail salon, etc.)	4%	6%
Childcare/Education Services (daycare, preschool, etc.)	2%	5%
Design Services (interior, graphic, etc.)	2%	4%
Technology Services (software development, web services, etc.)	2%	6%
Online Sales/ecommerce	2%	-
Grocery	1%	1%
Manufacturing	1%	2%
Other	6%	2%

17% of Mercer Island businesses participating in this survey are in Consulting. The next most common type is Health/Wellness (15%).

Proportionately, this year significantly more Retail establishments and significantly less Technology Service businesses completed the survey compared to last year.

In 2021, significantly more likely to:

- Be a home-based business
- Have been in business 5-14 years vs. 2-4 years

In 2021, significantly more likely to:

- Be located on north end or in an office building vs. storefront or home-based business
- Have been in business 15-24 years vs. 5-9 years
- Have \$100-\$499K vs. \$500-\$999K annual income



Q18. Which of the following best describes your business? (2021N=123, 2020 N=208) (multiple responses allowed)



Beautify the Town Center & Attract New Businesses

This was an open-ended question, allowing participants to share ideas on how the City can strengthen the MI business community. Nearly a third of participants (31%) made suggestions related to improving the community in general, attracting new businesses, Town Center planning and beautifying the City.

Suggestions to Strengthen Business Community	2021
Improve community/attract new businesses/town center master planning/beautify city	31%
Marketing/advertisement/allow signage	15%
Address recommendations in this survey/listen to the business community/appreciate what businesses do for the city	10%
Affordable office space/better lease options	8%
Improve parking	6%
Keep businesses informed/better communications	6%
Help network/make connections	4%
Offer grants/financial support/decrease taxes	3%
Safety	3%
Appreciate efforts of City	1%
Other	13%
Don't know	11%

“Need a comprehensive plan and vision for the City. Take a look at Lake Oswego's city plan - it is vibrant and welcoming to pedestrians and shoppers thanks to the architecture and planning and incorporation of public spaces. The traffic islands are a good first start to creating a good impression.”

“MI Next campaign was an awesome start! Continue marketing online and support in-person events / programs that allow the business community to connect directly with customers / clients. Participate more readily in the First Friday tradition and Farmer's Market Sundays. This should be a campaign for all residents (and off-Islanders) to support local MI businesses.”

“Help with rents of buildings to keep merchants/restaurants here on the Island.”

“I feel that communication is always the key to success. If the city kept us up to date on the comings and goings of businesses, the projects, they ways you are spending resources to support, grow and keep safe the businesses on the Island, I think the affect would be huge.”



Q19. What specifically can the City of Mercer Island provide to strengthen the Mercer Island business community? (2021 N=72) (open-ended question)



APPENDIX

**City of Mercer Island
Business Follow-up Survey**

You have received this survey because you own or operate a business based on Mercer Island.

Last summer (July-August 2020), the City of Mercer Island surveyed Island-based businesses to better understand how they have been impacted by the COVID-19 pandemic.

The City is now conducting a follow-up survey to check in and help determine how best to support the Island business community going forward.

Why survey you now?

On May 13, Governor Jay Inslee announced that most business and activity restrictions would ease by June 30. As the community continues to recover from the pandemic and the State moves closer to full reopening, we want to learn more about how the City can best support your business.

Responses to this survey will inform continued reopening and recovery support as well as provide information for longer-term economic development and small business support on Mercer Island.

This survey contains 19 questions and will take approximately 8-10 minutes to complete.

Questions? Contact Sarah Bluvas, Economic Development Coordinator for the City of Mercer Island: sarah.bluvas@mercerisland.gov | 206.275.7864

Thank you for your time! We truly appreciate your input.

Q1. Which of the following best describes where your business is located? (Check all that apply.)

- Located in the north end business district **47%**
- Located in the south end business district **4%**
- Store front **16%**
- Located within an office building **14%**
- In-home/home-based business **39%**
- Other (please specify) _____ **2%**
- I no longer have a business based on Mercer Island (SINGLE SELECT, SKIP TO Q20) **5%**

Q2. What challenges are you currently facing due to COVID-19? (Please read answers carefully. Check all that apply.)

- Keeping up with/figuring out the State-mandated COVID-19 rules **27%**
- Trouble paying rent/accessing rent relief **7%**
- Trying to open/stay open, but cannot find staff/my staff does not want to work **15%**
- Have to cut employees' hours **6%**
- Business has decreased significantly **29%**
- Parking **4%**
- Supply chain issues **2%**
- Increased costs **1%**
- Other (please specify) _____ **5%**
- Not currently facing any challenges due to COVID-19 (SINGLE SELECT) **36%**

Q3. What new challenges do you anticipate facing when business and activity restrictions lift on June 30th? (Please be as specific as possible.)

Q4. Have you received any of the following financial assistance during the COVID-19 crisis? (Check all that apply.)

- I have not pursued any financial assistance **44%**
- Paycheck Protection Program Loan (PPP) **45%**
- SBA Economic Injury Disaster Loan (EIDL) **17%**
- Working Washington Small Business Emergency Grant **9%**
- WeLoveMI campaign **7%**
- Mercer Island COVID-19 Relief for Small Businesses Grant Program **13%**
- Deferred or reduced rent for commercial space **9%**
- Private loans, lines of credit, etc., from your banking institution **3%**
- Other Federal, State, or Local funding sources **1%**
- Other private loan or grant programs (e.g., Facebook Small Business Grant Program) **4%**
- I applied for some of these but did not receive any financial assistance (SINGLE SELECT) **3%**
- Other (please specify) _____ **0%**

Q5. Over the past year, what changes did you make, due to COVID-19, that were helpful in maintaining your business?

Q6. Have you heard of the City of Mercer Island's Let's Talk webpage for businesses found at letstalk.mercergov.org/coronavirus_business?

- Yes, I've heard of it and have visited the website **18%**
- Yes, I've heard of it, but have not visited the website yet **19%**
- No, I have not heard of it **64%**

Q7. During the COVID-19 pandemic, the City of Mercer Island implemented several projects to support local Island businesses. For each of the following projects, please indicate if the City should continue or stop working on them.

	Continue	Stop	Don't know
Enact emergency policies to assist Island businesses (e.g., temporary use of public and private parking to support outdoor dining)	<input type="checkbox"/> 75%	<input type="checkbox"/> 7%	<input type="checkbox"/> 18%
Coordinate M next "buy local" marketing campaign to connect Island residents with Island businesses (www.mercerislandnext.com)	<input type="checkbox"/> 62%	<input type="checkbox"/> 15%	<input type="checkbox"/> 24%
Provide/redistribute outdoor seating for public spaces and other areas in Mercer Island Town Center	<input type="checkbox"/> 75%	<input type="checkbox"/> 2%	<input type="checkbox"/> 23%

Q8. The City of Mercer Island continues to seek ways to support local businesses during and after the pandemic recovery. For each of the following efforts, please indicate if you feel the City should work on them or not.

	Work on it	Don't spend the time	Don't know
Helping <u>your</u> business seek commercial rental relief/other needs related to commercial property	<input type="checkbox"/> 21%	<input type="checkbox"/> 51%	<input type="checkbox"/> 28%
Connecting <u>your</u> business with free marketing	<input type="checkbox"/> 44%	<input type="checkbox"/> 38%	<input type="checkbox"/> 17%

assistance (e.g., social media marketing, creative advertising design)			
Connecting <u>your</u> business with free technical assistance (e.g., website development, CPA)	<input type="checkbox"/> 32%	<input type="checkbox"/> 53%	<input type="checkbox"/> 15%
Connecting <u>your</u> business with ways to partner with other local business to enhance/promote products/services	<input type="checkbox"/> 52%	<input type="checkbox"/> 35%	<input type="checkbox"/> 14%
Coordinating Town Center beautification and seasonal decorations	<input type="checkbox"/> 66%	<input type="checkbox"/> 15%	<input type="checkbox"/> 19%
Coordinating special community events in Town Center and adjacent neighboring parks/public spaces	<input type="checkbox"/> 74%	<input type="checkbox"/> 10%	<input type="checkbox"/> 17%

Q9. Results from the previous survey indicated interest in networking opportunities with other Island businesses. What specifically would you hope to gain from networking with these other businesses?

Q10. Looking forward, the City of Mercer Island is embarking on long-term efforts to support and strengthen the Island business ecosystem. In 2021, the City has begun looking at Town Center retail requirements and issues related to public & commuter parking. Thinking long-term, what are the top three policy or programs areas you would want the City to explore on behalf of local businesses? (Pick no more than three.)

- Walkability in north and south end business districts **35%**
- Helping people find their way to/from north and south end business districts (i.e., wayfinding) **6%**
- Community-wide branding and marketing (e.g., expanding M|next "buy local" campaign) **26%**
- Business attraction **25%**
- Business retention **33%**
- Workforce development **0%**
- Tourism development (e.g. attracting visitors via Light Rail) **15%**
- Sustainability/ "green" business programs **13%**
- Business innovation programs **10%**
- Funding mechanisms to support local businesses (e.g., tax-related district designation, regional/federal grants) **21%**
- Town Center visioning and/or master planning **40%**

- City code review and updates/development (e.g. zoning, parking requirements, etc.) **33%**
- General beautification **3%**
- Don't know what to suggest **2%**
- Don't work on any of these (SINGLE SELECT) **2%**
- Other (please specify) _____ **7%**

Q11. What one action could the City of Mercer Island take to measurably help your business? (This could be something already mentioned or a different need that you might have. Please be as specific as possible.)

Q12. The City's long-term economic development planning efforts will include more opportunities to engage with the business community about needs and concerns. If you are interested in staying informed and/or getting involved with these efforts, please provide your contact information below.

Business:
 Primary Contact:
 Phone:
 E-mail:

Q13. Where do you currently access information regarding resources and opportunities for the Mercer Island business community? (Check all that apply.)

- Mercer Island Reporter **27%**
- Mercer Island Chamber of Commerce **31%**
- Mercer Island Rotary **0%**
- City of Mercer Island website www.MercerIsland.gov **34%**
- City of Mercer Island's "Let's Talk" page with COVID-19 resources for businesses: <https://letstalk.mercergov.org> **6%**
- The City's "MI Weekly" e-newsletter www.mercerisland.gov/MIweekly **20%**
- Nextdoor **31%**
- Facebook – The City of Mercer Island **12%**
- MyMercerIsland.com (website/email newsletter) **12%**
- Mlnext website: www.mercerislandnext.com **4%**
- Word of mouth **48%**
- Other (specify) _____ **6%**

- I don't access information regarding the MI business community (SINGLE SELECT) **15%**

Q14. The City of Mercer Island is working on ways to help Island businesses stay informed about City processes and updates that impact the business community. What type of information related to the local business community are you interested in receiving from the City? (Check all that apply.)

- City permitting requirements and process **32%**
- City tax requirements **32%**
- City impact fee requirements **20%**
- City wide economic development planning (including business attraction and retention) **45%**
- Directory of Mercer Island businesses **38%**
- Opportunities for networking with other businesses and/or organizations **43%**
- Ways to promote/market business **40%**
- Opportunities for accessing funding (e.g., grants, loans, tax credits, etc.) **32%**
- Other (specify) _____ **2%**
- Don't know what to suggest (SINGLE SELECT) **11%**
- Nothing (SINGLE SELECT) **10%**

Q15. How many years have you been doing business on Mercer Island?

_____ years

- Under 5 **28%**
- 1-9 years **24%**
- 10-19 years **26%**
- 20 or more **22%**

Q16. How many employees (full or part-time, excluding yourself) do you have?

- None **40%**
- 1 **11%**
- 2 – 9 **36%**
- 10 – 24 **8%**
- 25 – 99 **4%**
- 100 – 499 **2%**
- 500 + **0%**

Q17. What is your annual revenue for 2020?

- Under \$100,000 **33%**
- \$100,000 - \$499,999 **24%**
- \$500,000 - \$999,999 **11%**
- \$1,000,000 or more **11%**
- None **4%**
- Prefer not to say **18%**

Q18. Which of the following best describes your business? (Check all that apply.)

- Architecture/Engineering/Construction/Contractor **6%**
- Artist/Arts Organization **9%**
- Consulting **17%**
- Childcare/Education Services (daycare, preschool, etc.) **2%**
- Design Services (interior, graphic, etc.) **2%**
- Financial Services (banking, CPA, financial planning, etc.) **7%**
- Fitness Studio/Gym **6%**
- Food/Drink Service **5%**
- Grocery **1%**
- Health/Wellness (dentist, physical therapist, acupuncture, etc.) **15%**
- Legal Services **6%**
- Manufacturing **1%**
- Other Professional Services **11%**
- Personal Services (hair salon, nail salon, etc.) **4%**
- Real Estate (commercial, residential, lending, etc.) **8%**
- Retail **14%**
- Technology Services (software development, web services, etc.) **2%**
- Online sales/ecommerce **2%**
- Non-profit **5%**
- Other (specify) _____ **6%**


Q19. What can the City of Mercer Island provide to strengthen the Mercer Island business community? Please share your suggestions.

• • • SKIP TO THE END • • •

Q20. You indicated that you no longer have a business based on Mercer Island. Which of the following best describes your situation? (Check all that apply.)

- I moved my business off the Island **11%**
- I closed/sold my business because I have decided to retire **11%**
- I had to close my business due to COVID-19 **44%**
- I have temporarily closed my business, but have plans to re-open **22%**
- Other (please specify) _____ **22%**

Thank you for sharing your opinions and experience with us.



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