



BUSINESS OF THE CITY COUNCIL CITY OF MERCER ISLAND

AB 5688
May 5, 2020
Regular Business

AGENDA BILL INFORMATION

TITLE:	AB 5688: Small Business Support Update & Port of Seattle Grant Application	<input checked="" type="checkbox"/> Discussion Only <input type="checkbox"/> Action Needed:
RECOMMENDED ACTION:	Receive the report.	<input type="checkbox"/> Motion <input type="checkbox"/> Ordinance <input type="checkbox"/> Resolution

DEPARTMENT:	City Manager
STAFF:	Sarah Bluvas, Small Business Liaison
COUNCIL LIAISON:	Jake Jacobson Craig Reynolds
EXHIBITS:	1. 2020 Port of Seattle Economic Development Partnership Grant Guidelines 2. City of Mercer Island Application for Port of Seattle Grant
CITY COUNCIL PRIORITY:	3. Implement an economic development program.

AMOUNT OF EXPENDITURE	\$ 6,135
AMOUNT BUDGETED	\$ 0
APPROPRIATION REQUIRED	\$ n/a

SUMMARY

Staff will provide a presentation on small business support efforts to-date as well as discuss the Port of Seattle grant program and next steps for accepting funding once the City receives the grant award.

COVID-19 & MERCER ISLAND BUSINESS UPDATE

During the COVID-19 emergency, many City staff have been reassigned from their normal operating duties to roles in the Emergency Operations Center (EOC). Sarah Bluvas, a member of the Parks & Recreation Department, was reassigned on March 19, 2020, to support Mercer Island's local business community. In this role, Bluvas is partnering with Councilmembers, the Mercer Island Chamber of Commerce, and local business owners and advocates to hear and resolve concerns; share local, state, and federal resources; and raise awareness for local business support among the community.

PORT OF SEATTLE ECONOMIC DEVELOPMENT GRANT

In addition to providing ongoing communication and technical assistance, staff is seeking financial resources to strengthen efforts to support the local business community during the COVID-19 recovery period. Staff identified and applied for a grant through the Port of Seattle Economic Development Partnership Program, which is an annual, cooperative program to help fund local economic development initiatives across King

County. Since the program's inception in 2016, the Port has awarded \$1.8 million through 58 grants to 30 cities, including more than \$47,000 to Mercer Island in 2017 and 2018. Funding is awarded on a per-capita calculation (between \$5,000 and \$65,000 based on the city's population) and requires a 50 percent match of dollars and in-kind support. The final deadline to submit project evaluations to the Port is November 2, 2020.

In 2020, the Port is allowing cities to fund COVID-19 relief and recovery for small businesses. Mercer Island is eligible to receive \$24,470, with an additional match requirement of \$12,235. Approximately half of this match (\$6,100) can come from in-kind support in the form of staff time, and the other half (\$6,135) will be provided as a cash match. Matching grant funds will be provided from the small general government professional services budget.

Exhibits 1 and 2 include the grant program guidelines and the City's 2020 application. Over the last two months, staff, in consultation with the Mercer Island Chamber of Commerce, Mercer Island City Council representatives, and local business owners/other community advocates, have heard recurring issues impacting the business community and the City's ability to support it during the COVID-19 crisis. These include:

- Lack of a comprehensive contact list and consistent mechanism for communicating with all businesses on Mercer Island
- Lack of community awareness of on-Island businesses and of organizations that are still "open for business" during the COVID-19 crisis
- Lack of consistent messaging of the importance of local economic development and supporting local businesses
- Lack of understanding of current business needs to create a sustainable, thriving local business sector

While this grant funding will only provide short-term financial support, staff aim to begin addressing some of these issues by focusing the project scope on two coinciding phases:

- **Transition Local Business Community into COVID-19 Reemergence/Recovery Phases** (May-October 2020): This phase will enable continued outreach to local businesses to share resources and technical assistance as well as support a community-wide "support local" marketing campaign to build awareness as local businesses begin resuming some operations.
- **Collect Data for Future Planning Needs** (May-October 2020): This phase will support efforts to build out the City's database of local business contact information as well as establish new foundations to enable future policy and strategic planning related to economic and Town Center development on Mercer Island.

The high-level goals and action items funded through this grant include the following:

Project 1: Transition Local Business Community into COVID-19 Reemergence/Recovery Phases

High-Level Goals:

1. Keep local businesses top-of-mind with local and off-Island customers to retain local businesses and local spending
2. Connect all Mercer Island businesses with resources and technical assistance to do business in the post-COVID-19 era

High-Level Actions:

- Expand "Shop Local-Spend Like It Matters" marketing campaign with branding/design (locally sourced), advertising (print, digital), community mailer, local press, website updates, and other

content/efforts to promote the local business community during the emergency and into the recovery phase

- Outreach to businesses via mail, e-mail, website, and other methods to share recovery resources

Project 2: Collect Data for Future Planning Needs

High-Level Goals:

1. Fill gaps in City's database of contact and other information for local businesses
2. Document business challenges and needs pre- and post-COVID-19 emergency

High-Level Actions:

- Administer online/print survey to collect contact information and assess business needs
- Pilot temporary/non-permanent placemaking projects to test and collect feedback on policy-related ideas (ex. pocket parks, outside seating in Town Center, drop-off/pick-up zones)

An overarching goal of the grant project scope is to redirect awarded dollars back into the local Mercer Island economy by using local contractors and services to complete project needs as much as possible. Staff anticipate the funds will be used for the following types of expenses:

- Project management (City staff and Mercer Island Chamber of Commerce)
- Contracting services (Mercer Island consultants in branding/marketing and needs assessment/research/survey; Mercer Island artists; and other local professional service providers as identified and/or needed)
- Outreach and marketing collateral (business postcard mailer; print and digital graphics for social media, window displays, print media, etc; temporary signage; and other pieces as identified to promote the local business community)

RECOMMENDATION

Staff recommends the City Council receive the report and review the attached exhibits related to the Port of Seattle Economic Development Partnership Grant program. No further City Council action is needed at this time.