

City of Mercer Island

COVID-19 Business Survey

Research Report

Research conducted July-August 2020
By Hardwick Research



MARKET RESEARCH SERVICES



BACKGROUND & METHODOLOGY



Background

Funding for this research study was obtained through a grant from the “Port of Seattle Economic Development Partnership Program”

- The City of Mercer Island worked in partnership with the Mercer Island Chamber of Commerce and other local business community advocates
- Members of the “RestartMI” initiative provided input on survey topics
- The survey was designed by Nancy Hardwick, Hardwick Research in conjunction with Sarah Bluvas, EOC Small Business Liaison for the City of Mercer Island
- This research was gathered by Hardwick Research, who also conducted the analysis and developed this report



Survey Project Goals

Gather information regarding issues facing the Mercer Island business community with the goal of understanding COVID-19 related issues:

- Effect of/challenges Mercer Island businesses face during the COVID-19 crisis
- Level of awareness and usage of aid already being offered
- Evaluate what type of aid/support the City of Mercer Island should provide businesses (now and in future)
- Provide insights to inform some of the elements of the "RestartMI" initiative (marketing campaign, etc.)

Obtain baseline data for long-range economic and community development efforts (including Town Center planning)

- Contact information (email addresses) for future communication with Mercer Island businesses
- High level needs and issues faced by the entire business community
- Ways in which the City can support the local business community



Methodology

An online survey was conducted in order to gather feedback from Mercer Island businesses. Invitations to participate in the survey were distributed via:

- Email (sent to 822 Mercer Island businesses, received 208 surveys)
- Postcards (sent to 531 Mercer Island businesses, received 30 surveys)
- Mercer Island Chamber of Commerce email newsletter (received 17 surveys)
- City of Mercer Island email newsletter (received 14 surveys)

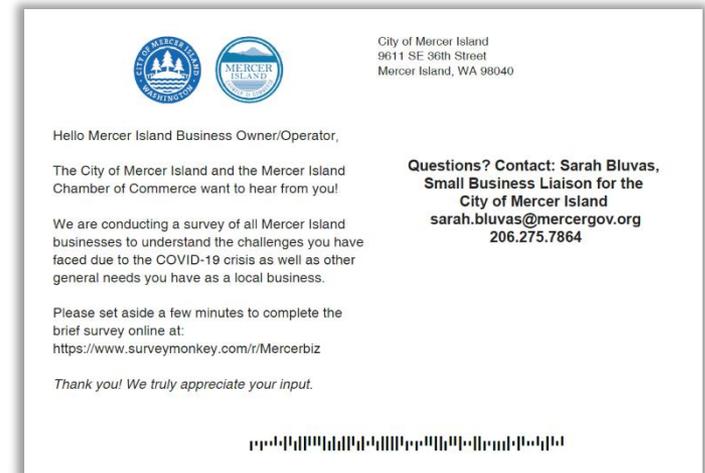
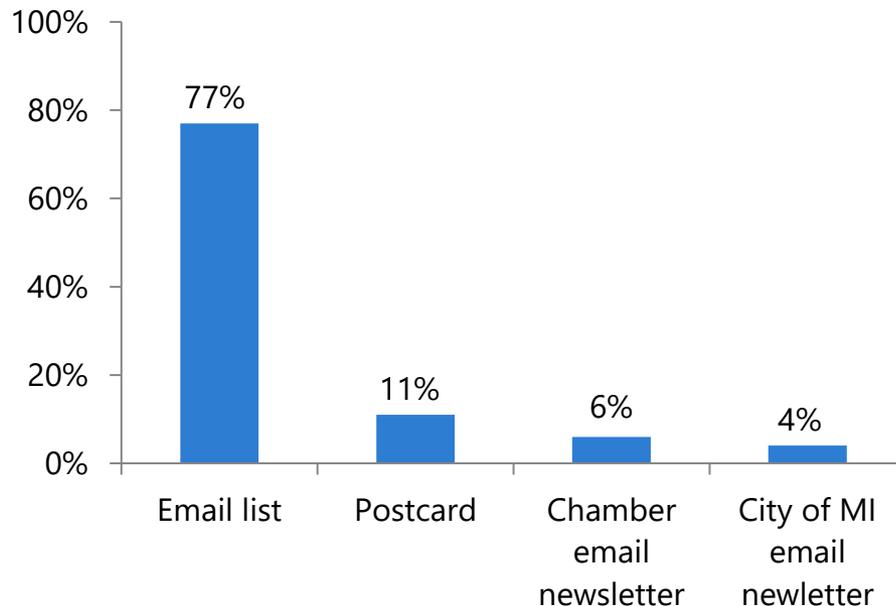
A total of 269 completed surveys were gathered

The research was conducted July 28 – August 16, 2020

The questionnaire contained 18 questions and can be found in the Appendix section of this report

Survey Collector Details

About three quarters of the surveys were gathered via the email list provided by the City of Mercer Island. The remainder were generated by a postcard mailed to Mercer Island businesses (those the City did not have email addresses for), through the Chamber of Commerce email newsletter, or the City of Mercer Island email newsletter.





Participating Business Demographics

Type of Business

- Home-based (48%)
- North end (38%)
- Office building (18%)
- Storefront (11%)
- South end (6%)

Note: Most are home-based or on the north end

Years in Business

- Under 5 (35%)
- 5-9 (19%)
- 10-19 (23%)
- 20 or more (23%)

Note: Average years in business is 12.5

Employees

- None (42%)
- 1 (12%)
- 2-9 (29%)
- 10-24 (11%)
- 25-99 (4%)
- 100 and up (1%)

Note: Average number of employees is 12.5

2019 Revenue

- Less than \$100K (27%)
- \$100K-\$499K (26%)
- \$500K-\$999K (10%)
- \$1M - \$4.9M (12%)
- \$5M and up (3%)
- None (5%)

Note: Over half have 2019 revenue under \$500K



Report Annotation

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.

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



Executive Summary

Business Challenges	<ul style="list-style-type: none">• The primary challenges due to COVID-19 are:<ul style="list-style-type: none">– Decrease in business (46%)– Understanding the State’s COVID-19 phases and rules (28%)– Understanding the Federal rules around business loans for COVID-19 (27%)
Remedies/ Changes	<ul style="list-style-type: none">• More than half (52%) have chosen to pursue some type of financial assistance, with most (39%) taking advantage of the Paycheck Protection Program (PPP)• Most survey participants (78%) report that they have made or are considering making changes due to COVID-19• Some are having employees work remotely (11%) and are holding meetings over ZOOM (11%)
Information Sources	<ul style="list-style-type: none">• About a third of businesses are aware of the Let’s Talk webpage (31%), however Chamber members’ awareness is higher than non-members• Let’s Talk resident vs. business information not clearly differentiated• Word of mouth (including Nextdoor) is by far the most popular source (though unreliable)• Other commonly used information sources include the City of Mercer Island website (37%) and the Mercer Island Reporter



Executive Summary (Continued)

City Programs/ Assistance	<ul style="list-style-type: none">• More than half of businesses (53%) were not aware of assistance being offered by the City• Interest in potential programs was highest among storefronts who want marketing and promotions assistance• For long term program options, about a quarter of businesses want the City to address “parking on the north and south end business district (e.g., amount of parking, illegal parking),” followed by “funding mechanisms to support local businesses (e.g., tax-related district designation, regional/ federal grants” and “business attraction”
Chamber Membership	<ul style="list-style-type: none">• The majority of businesses responding are not members of the Mercer Island Chamber of Commerce (77%) while 23% are• Primary reasons given relate to uncertainty about the benefits and relevance for their business. Some had not thought of joining• The Chamber has been providing assistance to members including financial assistance/loans, free PPE supplies, webinars, GoFundMe page in conjunction with the Mercer Island Community Fund



Executive Summary (Continued)

Businesses want Information	<ul style="list-style-type: none">• Understanding the State’s COVID-19 phases and rules, including about PPE• Understanding the Federal rules around business loans for COVID-19• Info for businesses/promotions/assistance• What’s happening/local events/info on current and new businesses• The City’s thinking on economic development/ new business development plans (including zoning and codes, as well as parking)
Businesses want Connections	<ul style="list-style-type: none">• Connecting your business with marketing assistance (e.g., social media marketing, creative advertising design, etc.)• Connecting your business with ways to partner with other local businesses to enhance/promote products/services and network• Directory of businesses to include new businesses and note those still closed due to COVID-19• Provide information on what’s happening/local events/new businesses
Businesses want City Programs/ Assistance	<p><i>Currently:</i></p> <ul style="list-style-type: none">• Enforcement of masks• Resources for acquiring PPE supplies• Assistance seeking commercial rental relief/other needs related to commercial property• Grants/loans/tax relief/incentives <p><i>Long term:</i></p> <ul style="list-style-type: none">• Parking in the north and south end business districts (e.g., amount of parking, illegal parking)• Funding mechanisms to support local businesses and business attraction (e.g., tax-related district designation, regional/federal grants)• Community-wide branding and marketing (e.g., Visit Mercer Island – Shop, Eat, and Enjoy)• Walkability in north and south end business districts• Business attraction and retention



Suggestions from Survey Respondents

“

“Mercer Island has a lot of opportunity to be a ‘Cute little downtown’ similar to Bellevue’s Old Main or Madison Park, but the path taken with City planning’s design standards for new buildings and lack of maintenance on older buildings hasn’t encouraged visitors or destination shopping like other cities have. We need some serious structure with urban planning and tenant maintenance. My building is practically falling down and no one is requiring our landlord to keep it up. All of that discourages people from wanting to shop and spend time in our business district.”

“I wish there were a way to promote more businesses that don’t sell goods and have a physical location on the island.”

“Information concerning measures the City is taking to encourage business formation and to ease unnecessary/ ineffective rules and regulation.”

“Learning what the long term vision is to create a more shopper/business friendly environment.”

“What opportunities we have to update our business core area to be more attractive to off islanders.”

“New business openings.”

“What is being done to promote business of the Island, economic development. What is being done bring business to the old Farmer’s building.”

“City policy that impacts MI businesses; City plans for the downtown village.”

Economic Development

“Resources, marketing opportunities, grants, promotion of Island-based businesses.”

“Opportunities to connect with other local business leaders.”

“Featured or profiled business owner spotlights, overall health & well-being of our retail centers, co-marketing opportunities or events (First Friday Outdoor Art Walk, etc...)”

“What businesses are doing to survive during these times, opportunities for partnership and cross-promotion.”

Marketing

”



Suggestions from Survey Respondents

“

“Interesting to hear how many businesses are opening or closing, how activity is changing.”

“Continue to communicate updates relative to COVID and solutions to issues that are being managed i.e. the concern of parking.”

“I don’t believe anyone from the City has reached out to us to offer support or information. I have also not received invitations to community-wide meetings that I have later learned occurred. Please include every establishment in your outreach. Thank you.”

“Local events, and ways to promote my business here on Mercer. I would love to know more about the community and what’s going on here.”

“Lists of actions taken relevant to input and requests. Quick responses with actions taken on immediate needs and requests.”

“Updates on which businesses are coming to/ leaving the Island.”

Keep us Updated

“Information on any issues affecting Mercer Island businesses (zoning, code changes, taxes, parking, development in Town Center and south-end shopping center).”

“Changes in laws that affect Island businesses.”

Rules, Regulations, Zoning

Kudos to the City

“The City government is doing a good job in most cases and their efforts are appreciated.”

“Sarah Bluvas has been an incredible source for info and has done an admirable job of communicating during this pandemic. Much appreciation!”

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CONCLUSIONS & RECOMMENDATIONS



Promote City's COVID-19 Resources

With economic development a priority for the City Council, this an ideal opportunity for the City of Mercer Island to become a resource to businesses by providing valuable information

The City's Let's Talk website is the perfect hub for communication regarding COVID-19

- Work to keep the information as up to date as possible. Provide details, background information, and links for additional resources
- Make sure Let's Talk is the cited source for updates/information disseminated via other media like websites, social media, newspapers. They should all include a link back to Let's Talk, when possible

Partner with the Mercer Island Chamber of Commerce to disseminate information and partner on programming

- The Chamber of Commerce is a great way to access some of the more active Island businesses
- The Chamber can also be a good partner for implementing programs (with their connections and volunteers)



Create a Business Section in Let's Talk

The City of Mercer Islands' Let's Talk website is full of helpful content for businesses, but it can be hard to find

Consider some changes to the site including:

- Clearly label a section specifically for Island businesses that's accessible from the home page and becomes a permanent part of the website
- Incorporate COVID-19 information specifically for Island businesses in this new section
 - Considering splitting the large COVID-19 box on the current home page in half. It's too large which makes it hard to see the other content. Additionally, the split would allow one half for residents and the other for business owners
- Highlight what the City has done to help Island businesses during the COVID-19 crisis
- Include information important to businesses
- Expand current directory of businesses (open during COVID-19) to include all Island businesses interested in being listed



Each Business Type has Different Needs

Work to provide a variety of information to businesses, as each type generally has different needs

- Help businesses acquire PPE, provide info/resources for rent relief
- Communicate which businesses are open (via MI Reporter, Chamber of Commerce, social media, etc.)
- Develop a plan for community wide branding and marketing of MI as a good place to shop and do business
- Address walkability and parking issues in the business districts
- Improve awareness of Let's Talk website
- Work with Mercer Island Chamber to hold specific networking events by business type
- Work to help home-based businesses keep more informed and feel a part of the business community

Typical Needs	Home based	Office Building	Store-front
Resources for acquiring PPE		x	x
Assistance seeking commercial rental relief/other needs related to commercial property		x	x
Help with branding/marketing/promotion of business			x
Networking with other businesses	x		x
Interest in walkability in the business district	x	x	
Parking in north and south end business districts (e.g., amount of parking, illegal parking)	x	x	x
Chamber of Commerce Member			x
Aware of City's Let's Talk website			x

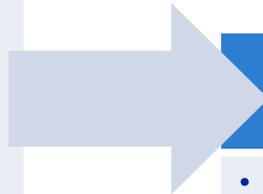


Survey Next Steps

Step 1:

Share results and how the City plans to use the results

- Distribute via email, post on City website, share with Chamber of Commerce members and through social media
- Sharing the results and implementing changes will make participants feel they were listened to



Step 2:

Survey Mercer Island residents

- Economic development on Mercer Island is important to both business owners and residents
- The City needs to understand what residents envision for the north and south end business districts
- Asking questions like:
 - What would encourage them to shop on Mercer Island?
 - What would they like the business districts to look like?
 - What would make them more appealing?
 - Do they consider parking to be an issue?



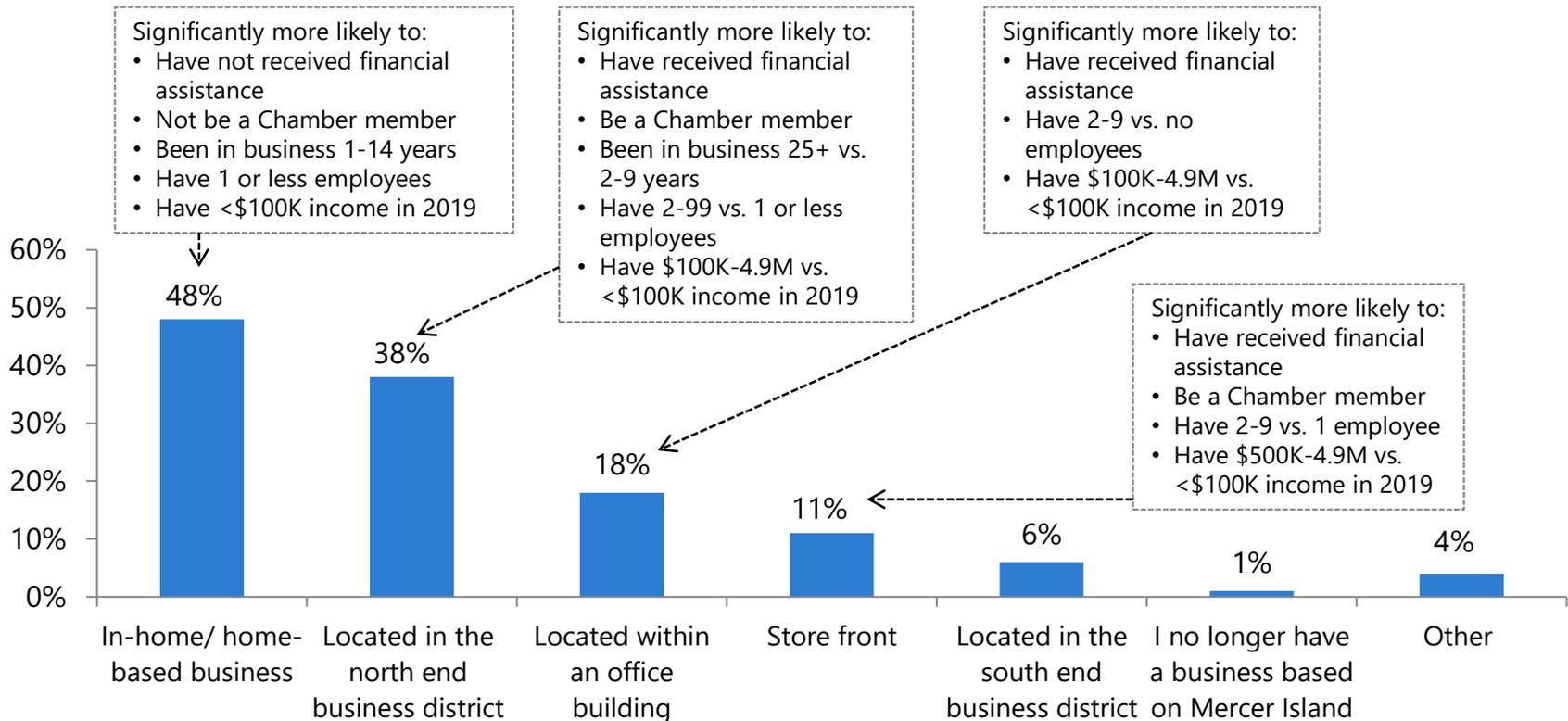
DETAILED FINDINGS



Many MI Businesses are Home-based

The survey was distributed to all business on Mercer Island. Of those who responded 48% are home-based businesses who...

- Tend to be less likely than other businesses on the Island to be facing challenges due to COVID-19
- Are significantly less likely to have received financial assistance compared to other Island businesses (as 74% of them chose not to pursue financial assistance)





Decrease in Business Biggest Issue

Challenges	%
Business has decreased significantly	46%
Keeping up with/figuring out the State-mandated COVID-19 phases/rules	28%
Keeping up with/figuring out the Federal rules regarding available COVID-19 related loans	27%
Have to adapt to new sanitizing protocols	24%
Additional expense related to reopening (e.g., PPE, extra cleaning, signage)	21%
Have to reconfigure business location to support social distancing	13%
Had to cut employees' hours	12%
Face challenges from customers or employees who do not comply with Safe Start guidelines/practices (e.g., social distancing, mask wearing, etc.)	12%
Have to find a new customer base	12%
Not facing any challenges due to COVID-19	11%
Had to lay off employees	9%
Trouble paying rent/accessing rent relief	8%
Have to add new product offerings	6%

Primary challenge faced due to COVID-10 is that “business had decreased significantly” (46%)

Only 5% of businesses surveyed report they had to close their business due to COVID-19

Those who are Chamber of Commerce members are significantly more likely to be dealing with additional expenses related to reopening (e.g., PPE, cleaning, signage) and having challenges with paying rent/accessing rent relief than non-members

The following types of businesses tend to be facing challenges surrounding COVID-19...

- With employees (2+) are more likely to report challenges surrounding COVID-19 than those one or fewer employees
- Who made \$1M+ in 2019



About Half Not Received Assistance

Type of Assistance	%
I have not pursued any financial assistance	48%
Paycheck Protection Program (PPP)	39%
SBA Economic Injury Disaster Loan (EIDL)	14%
WeLoveMI campaign	7%
Private loans, lines of credit, etc. from your banking institution	3%
Other private loan or grant programs (e.g., Facebook Small Business Grant Program)	3%
I applied for some of these, but did not receive any financial assistance	3%
Working Washington Small Business Emergency Grant	2%
Other Federal, State, or Local funding sources	2%
Other	2%

More than half (52%) have chosen to pursue some type of financial assistance, with most (39%) taking advantage of the Paycheck Protection Program (PPP)

Those with a storefront tend to be more likely to have applied for the SBA EIDL loan or participated in the WeLoveMI campaign than other Island businesses

Home-based businesses, non-members of the Chamber of Commerce, those without employees, and those making less than \$100K in 2019 are significantly more likely than their counterparts to have chosen not to pursue any financial assistance

Only 3% (or 8 businesses) report having applied for assistance, but did not receive any



Changes Made Varied Widely

Changes due to COVID-19	%
Employees work at home/remotely	11%
Online meetings/ZOOM, meet with staff and customers online	11%
Social distancing/Safety protocols/Reconfiguring space for distancing	9%
Reduce number of staff/customers in facility/office	8%
Extra cleaning/sanitizing	8%
Develop/increase online presence/sales	8%
Masks/PPE	7%
Reduced hours of operation	5%
None	19%
Other	9%

Most survey participants (78%) report that they have made or are considering making changes due to COVID-19

- Changes made have varied greatly with many looking to online options (meetings, increasing online presence) or having employees work from home
- Those with a storefront are significantly more likely to be developing/increasing an online presence
- Those in office buildings are more likely to have employees work from home
- Chamber of Commerce members are significantly more likely to be reducing the number of customers/staff in the office, reducing hours of operation and closing some of their facilities to the public, while non-members are significantly more likely to be turning to online meetings with customers/staff

Home-based businesses (32%) are significantly more likely to have made no changes



"Have to rent adjacent space in office building so employees can be distanced from each other, more time spent disinfecting areas."

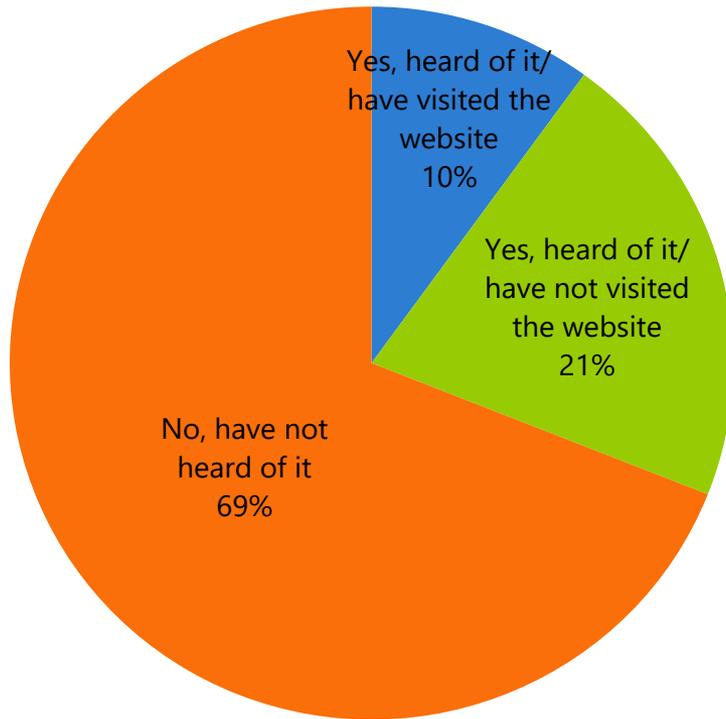
"Shorter hours, trying to find staff, increasing starting pay, which the business cannot afford..."

"Terminating our lease as soon as we are able and converting to a remote workforce as well as becoming fully paperless."

"Having meetings exclusively via Zoom."



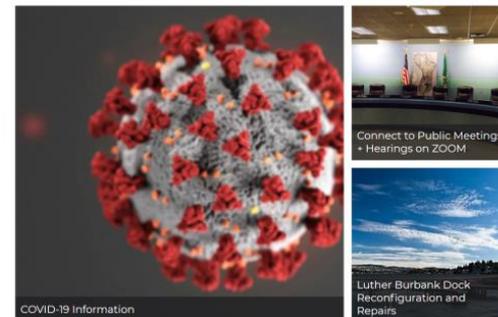
Most Unaware of Let's Talk Webpage



Most of those surveyed (69%) have not heard about the City of Mercer Island's Let's Talk webpage for businesses

- Those located in an office building, home-based businesses, those located in the north end business district, businesses on the Island 14 years or less, and those with 9 or fewer employees are more likely to have not heard of the Let's Talk webpage

The Chamber of Commerce appears to have done a good job of promoting the City of Mercer Island's Let's Talks webpage, as 52% of Chamber members are aware of the website and 20% have visited it





Few Aware of MI Efforts to Assist

Business owners/operators were provided a list of actions the City of Mercer Island has already undertaken to support local businesses

More than half (53%) of those surveyed were not aware of any of these efforts

- Home-based businesses, those located in the south end business district, those who did not receive any financial assistance, those who are not Chamber members, and those with more than 100+ employees are more likely to not be aware of the actions taken by the City to support businesses

City of Mercer Island actions to support businesses	%
Implemented priority pick-up zones for retail and food pick-up in Mercer Island Town Center	24%
Appointed a staff member to serve as Small Business Liaison during the City's emergency response	22%
Coordinated marketing and outreach campaigns to promote local businesses	20%
Connected local businesses with/provided guidance on available financial and other relief resources (e.g., Paycheck Protection Program, Safe Start plan, webinar series)	18%
Enacted emergency policies to assist Island businesses (e.g., B&O tax payment deadline extension)	11%
Redistributed park picnic tables to other locations to facilitate more public outdoor seating	11%
Secured grants to fund projects to support local businesses	9%
I was not aware of any of these efforts	53%
Other	3%



Marketing Support Desired

Businesses were asked which of the following “means of support” they feel would help their business during the COVID-19 crisis

Although home-based businesses make up nearly half (48%) of those who completed the survey, most home-based business owners “did not know what would help” (24%) or report that “nothing will help/not needed” (30%)

Those with storefronts are particularly interested in promotion of their business on the Let’s Talk webpage, ways to let customers know they are open, and obtaining marketing assistance

Those in office buildings are particularly interested in acquiring PPE and rental relief

Means of Support	%
Promoting your business through the City of Mercer Island’s Let’s Talk page with COVID-19 resources (letstalk.mercergov.org/coronavirus_business)	22%
Connecting your business with marketing assistance (e.g., social media marketing, creative advertising design, etc.)	18%
Connecting your business with ways to partner with other local businesses to enhance/promote products/services	17%
Resources for acquiring PPE supplies	16%
Assistance seeking commercial rental relief/other needs related to commercial property	12%
Connecting your business with technical assistance (e.g., website development, CPA, etc.)	10%
Exploring temporary codes/policies to enable customers to more easily access your products/services (e.g., code amendments to allow outdoor dining/shopping, priority pick-up/parking zones for retail and food pick-up)	8%
A way to let customers know you are now open	7%
Additional City staff/open facilities/spaces	2%
Other	9%
Don’t know what would help	19%
Nothing will help/not needed	19%

Q7. While operating with limited staff capacity and financial resources, the City of Mercer Island and the Mercer Island Chamber of Commerce continue to seek ways to support local businesses during the COVID-19 crisis. If resources were available, which of the following would help your business most during this emergency? (N= 224) (up to three responses allowed)



Parking, Funding, Marketing Important

Potential Actions	%
Parking in north and south end business districts (e.g., amount of parking, illegal parking)	24%
Funding mechanisms to support local businesses (e.g., tax-related district designation, regional/federal grants)	19%
Business attraction	18%
Community-wide branding and marketing (e.g., Visit Mercer Island – Shop, Eat, and Enjoy)	16%
Business retention	14%
Walkability in north and south end business districts	14%
Helping people find their way to/from north and south end business districts	4%
Changes to zoning/coding to aid businesses	4%
Tourism development	3%
Don't know what to suggest	21%
Nothing	8%
Other	6%

The preferred option for potential assistance from the City is to deal with parking issues in the north and south end business districts”

- Businesses more likely to prefer this option are mid-sized (10-24 employees) and those having been in business on Mercer Island for 10-14 years

Businesses with \$5M+ in revenue and those who received financial assistance are most interested in “funding mechanisms to support local businesses”

Storefronts, those who received financial assistance, and new businesses (<1 year) are more likely to be interested in “business attraction”

Chamber of Commerce members, those who received financial assistance, those located in the north end business district, and storefronts prefer “community-wide branding and marketing”

Those located in an office building or in a home-based business are interested in “walkability in the north and south end business districts”

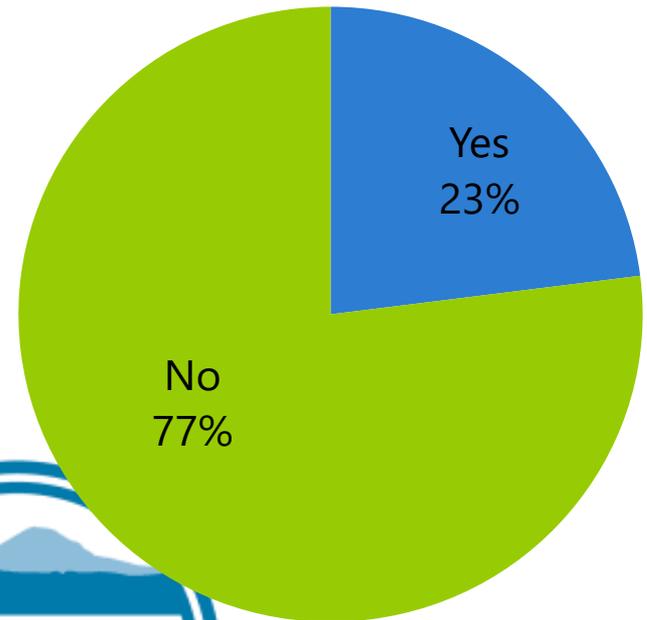
Q8. In the future, the City of Mercer Island may have the opportunity to implement policy or other actions to assist Mercer Island businesses. Thinking long-term, which of these policy or program to seek ways to support local businesses during the COVID-19 crisis. If resources were available, which of the following would help your business most during this emergency? (N= 221) (up to two responses allowed)



Most are not a Chamber Member

Just under a quarter (23%) of survey respondents are members of the Mercer Island Chamber of Commerce

- Businesses located in the north and south end business district as well as those with a storefront are significantly more likely to be Chamber members than those located in an office building or home-based
- Those who obtained financial assistance are significantly more likely to be a Chamber member
- Those doing business on Mercer Island for 15+ years, those with 2+ employees tend to be more likely to be a Chamber member





Unsure of Chamber Relevance

Responding businesses who are not members of the Mercer Island Chamber of Commerce shared a number of reasons for deciding not to join

A theme that emerges is that many businesses (45%) are not sure of the value and relevance to them. (Not sure it would be beneficial/valuable for my business; Not relevant to my business/customers off island; Not needed)

Those who say it is "not relevant to my business/customers off island" are more likely to be home-based

Reasons	%
Not sure it would be beneficial/valuable for my business	23%
Not relevant to my business/customers off-Island	15%
No time	12%
Never thought about it	11%
Wasn't aware of it	9%
Not needed	7%
Don't want to pay dues/no money/cost	5%
New/we are just starting	4%
Would like to join	4%
Doesn't represent interests of Mercer Island businesses	2%
Not interested	2%
Not invited	1%
Other	4%
Don't know/no reason	11%

“

"Not aware of benefit or cost. Thought we needed to be invited."

"Don't understand the value my very small, pop-up style business would get from membership."

"It seems to be too political and does not appear to represent island interests, but off island interests."

"It would be difficult to find the time to attend meetings."

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Word of Mouth Top Source for Info

Information Source	%
Word of mouth	39%
City of Mercer Island website	37%
Mercer Island Reporter	33%
Nextdoor	30%
Mercer Island Chamber of Commerce	21%
The City's "MI Weekly" e-newsletter	21%
MyMercerIsland.com (website/email newsletter)	14%
Facebook (in general)	11%
Facebook - The City of Mercer Island	10%
City of Mercer Island's "Let's Talk" page with COVID-19 resources for businesses: letstalk.mercergov.org	5%
Facebook – Mercer Island Chamber of Commerce	4%
Instagram (in general)	3%
Instagram – Mercer Island Chamber of Commerce	2%
Instagram – The City of Mercer Island	2%
Mercer Island Rotary	2%
I don't access information regarding the Mercer Island business community	18%
Other	5%

Word of mouth, the City of Mercer Island website, the Mercer Island Reporter, and Nextdoor (mainly word of mouth content) are top resources for information on the Mercer Island businesses

Social media websites including Facebook and Instagram are much less utilized

18% of businesses do not access information regarding the Mercer Island business community at all

Businesses located in the north end business district, storefronts, Chamber members, those receiving financial assistance, those in business for 25+ years, and those with 25+ employees are significantly more likely to be turning to the Chamber of Commerce for business news



Want Information on Promotion

Type of Information	%
Information on taxes/rules and regulations	8%
Ways to market/promote/support my business	8%
Economic development/new business development plans/retention	7%
Information on COVID-19/rules and regulations/PPE	7%
What's happening/local events/info on current and new business/newsletter	7%
Information on grants/loans/tax relief/incentives	6%
Directory of businesses/new businesses/open businesses	5%
Ways to network with others	2%
Parking in business district	1%
Anything/All (general)	8%
None/Nothing	21%
Other	6%

Businesses desire a range of information from the City, most notably for promoting their business/networking; these are more likely to be storefronts or a Chamber member

Older businesses (25+ years) and those with 10-99 employees want information on "COVID-19/rules and regulations/PPE"

“Local events, and ways to promote my business here on Mercer. I would love to know more about the community and what’s going on here.”

“Resources, marketing opportunities, grants, promotion of Island-based businesses.”

“What businesses are doing to survive during these times, opportunities for partnership and cross-promotion.”

“Proposed regulations/taxes, new developments & businesses.”

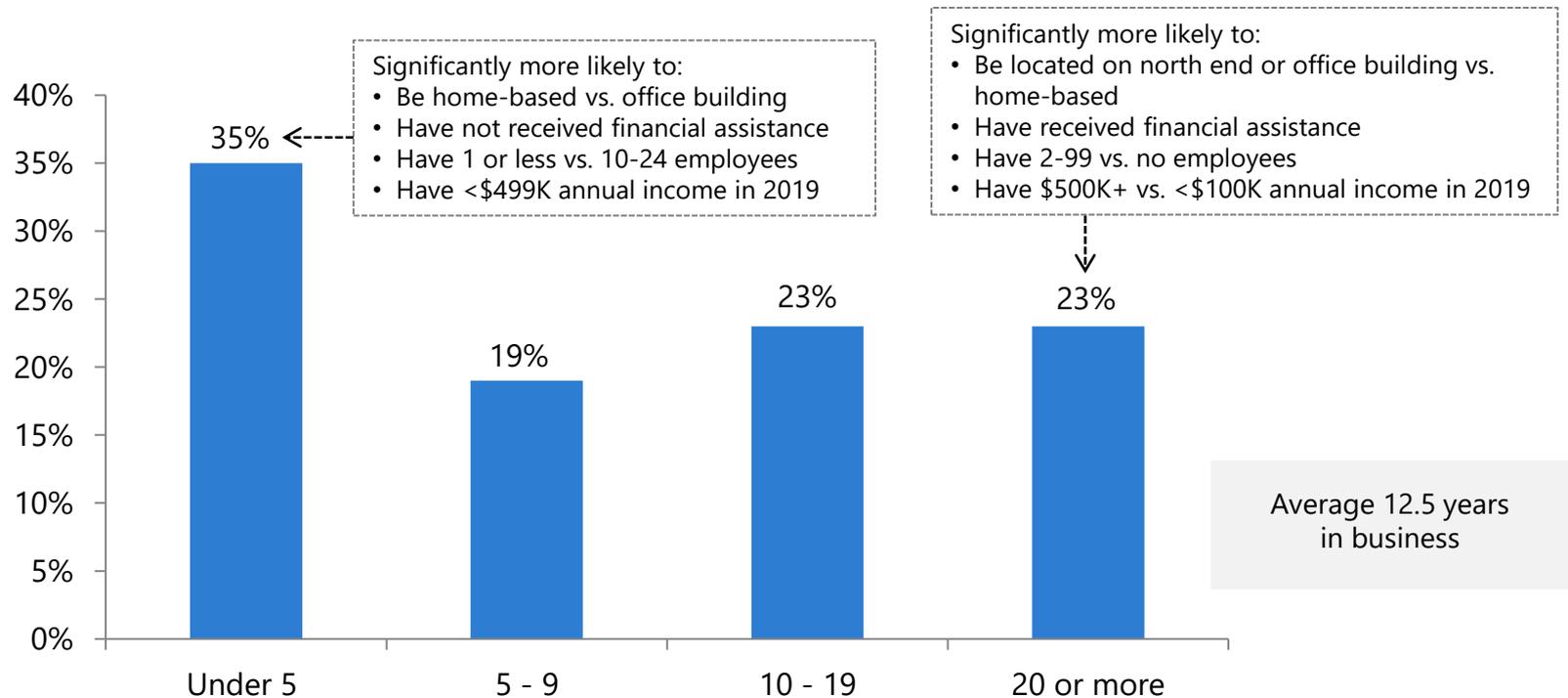
“Updates on safe start phases, recommendations on what is safe to open and how to use safely, direction or recommendation on what to or not to open.”



Demographics – Years in Business

A third (35%) of those who participated in the survey have been in business less than 5 years, while 46% have been in business over 10 years. The newer businesses (under 5 years) tend to have not received financial assistance, have under \$500K annual income, and have 0 or 1 employees.

On the other hand, those in business for 20+ years tend to have received financial assistance and be a member of the Chamber of Commerce. They also skew larger with 2-99 employees and \$500K+ in 2019 revenue.

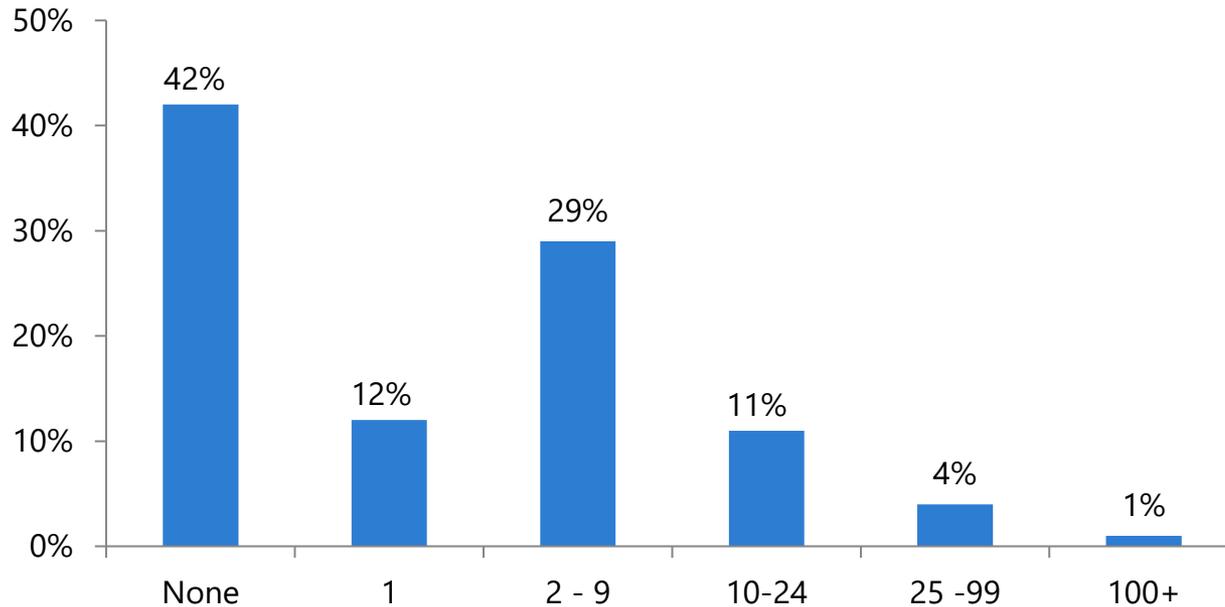




Demographics – Employee Count

Nearly half of Mercer Island businesses responding to this survey have no employees. Home-based businesses and non-Chamber members are significantly more likely to have no employees

Only 5% of Mercer Island businesses have 25 or more employees

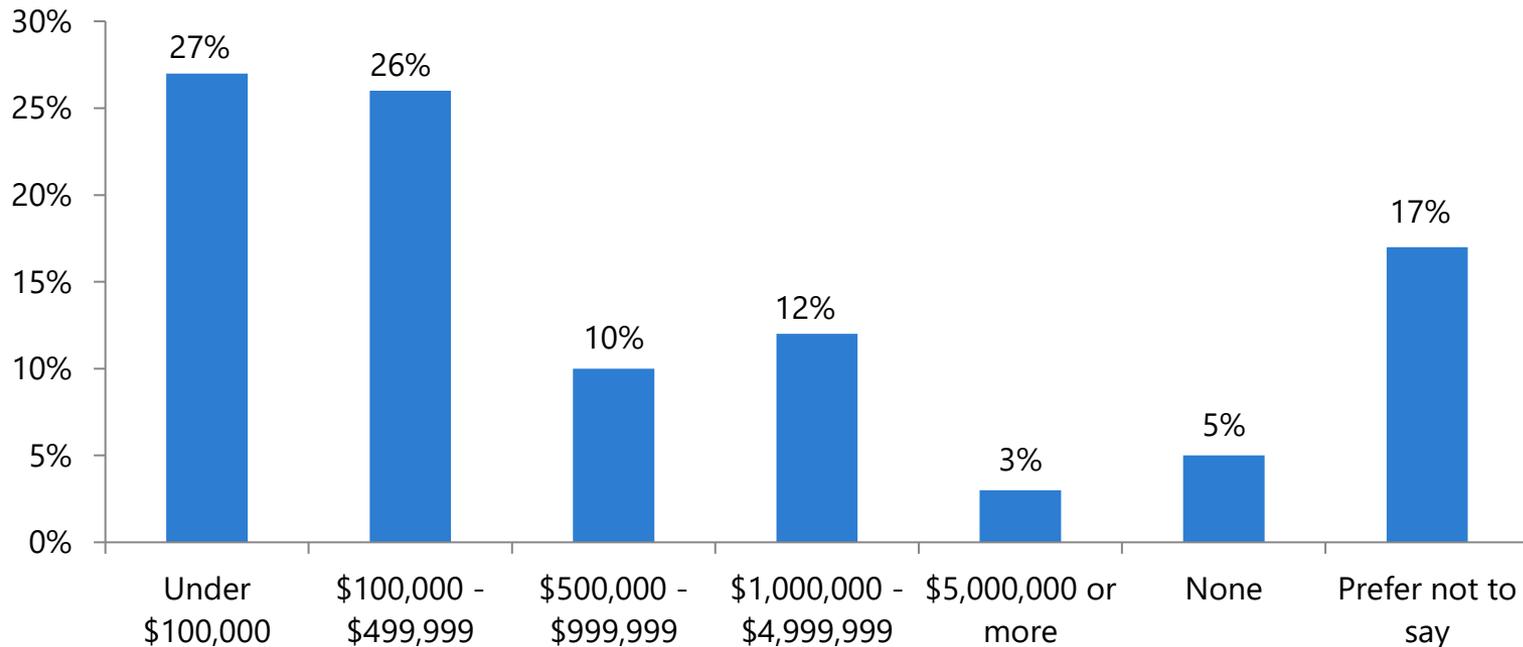




Demographics – 2019 Revenue

Over half (53%) of businesses that participated in this survey have 2019 revenue under \$500K; these tend to have been in business less than 25 years. Those with under \$100K in revenue also tend to be home-based, have not received financial assistance and not be a Chamber member

Those with \$500K-\$4.9M in 2019 revenue tend to be located on the north end, be in office buildings, and have received financial assistance. In addition, those skewing higher in this group at \$1M-\$4.9M also tend to be in storefronts and Chamber members





Consulting, a Common MI Business

Type of Business	%
Consulting	19%
Health/Wellness (dentist, physical therapist, acupuncture, etc.)	11%
Architecture/Engineering/Construction/Contractor	9%
Financial Services (banking, CPA, financial planning, etc.)	9%
Food/Drink Service	7%
Other Professional Services	7%
Personal Services (hair salon, nail salon, etc.)	6%
Retail	6%
Fitness Studio/Gym	6%
Real Estate (commercial, residential, lending, etc.)	6%
Technology Services (software development, web services, etc.)	6%
Artist/Arts Organization	5%
Childcare/Education Services (daycare, preschool, etc.)	5%
Legal Services	5%
Design Services (interior, graphic, etc.)	4%
Manufacturing	2%
Non-profit	2%
Grocery	1%
Other	4%

Nearly 20% of Mercer Island businesses participating in this survey are in Consulting. The next most common types, at around 10% each, are Health/Wellness, Architecture/Engineering/Construction/Contractor, and Financial Services

Consulting businesses on the Island tend to:

- Be home-based
- Have not received financial assistance
- Not be a member of the Chamber of Commerce
- Be in business less than 15 years
- Have under \$500K in 2019 revenue

Health/Wellness businesses tend to:

- Be located on north end and in an office building
- Be in business 1 year or less

Architecture/ Engineering/ Construction/ Contractor tend to have \$5M and up in 2019 revenue



Comments/Suggestions Shared

Suggestions	%
Appreciate the City's efforts	18%
Info for businesses/promotions/assistance	9%
Enforce safety protocols/mask wearing	7%
Open parks/community centers/restaurants	5%
Information on city zoning/codes	4%
Allow outdoor seating at restaurants	2%
Help with PPE	2%
None/Nothing	29%
Other	14%
Don't know	11%

This was an open-ended question, allowing businesses to share anything related to COVID-19 challenges or needs in general

When asked what comments or suggestions they would like to share responding businesses would like:

- Information for businesses/promotions/assistance
- Enforcement of safety protocols/mask wearing
- Opening of parks/community centers/restaurants/outdoor seating

About a third (29%) had no suggestions

Interestingly:

- Chamber members and those with 25-99 employees are significantly more likely to say they appreciate the City's efforts
- Home-based businesses, non-members of the Chamber and those doing business on Mercer Island for a year or less tend to be more likely to say they have no comments or suggestions



"The only way do develop businesses on MI is to open restaurants and bars."

"Keep the parks open. Outside venues are the least likely contributor to COVID-19. Allow restaurants/retail to use sidewalks for outdoor activity."

"Enforcement of masks in stores."

"Landlords need to understand the struggles their tenants face."





APPENDIX



City of Mercer Island Business Survey 2020

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

Since early March 2020, the [City of Mercer Island](#) has partnered with the [Mercer Island Chamber of Commerce](#) to support local businesses impacted by the COVID-19 crisis. As part of this response, we are conducting this brief survey to learn about the COVID-19-related challenges facing your business as well as other general needs you have as a Mercer Island business.

This survey contains 18 questions and will take approximately 7 minutes to complete. Your responses will inform future efforts to support the Mercer Island business community during the COVID-19 crisis and beyond.

Questions? Contact Sarah Bluvas, Small Business Liaison for the City of Mercer Island's EOC Operations Section: sarah.bluvas@mercergov.org | 206.275.7864

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

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

- Located in the north end business district **38%**
- Located in the south end business district **6%**
- Store front **11%**
- Located within an office building **18%**
- In-home/home-based business **48%**
- Other (please specify) _____ **4%**
- I no longer have a business based on Mercer Island (DP NOTE: END SURVEY) **1%**

Q2. What challenges are you facing, at this time and going forward, due to COVID-19? (Please read answers carefully. Check all that apply.)

- Keeping up with/figuring out the Federal rules regarding available COVID-19 related loans **27%**
- Keeping up with/figuring out the State-mandated COVID-19 phases/rules **28%**
- Business has increased significantly **4%**
- Business has decreased significantly **46%**
- Trouble paying rent/accessing rent relief **8%**
- Working with vendors to delay delivering orders we no longer need, cannot pay for at this time, etc. **2%**
- Working with creditors to agree to let us delay our payments **3%**

- Had to lay off employees **9%**
- Had to cut employees' hours **12%**
- Had to cut employees' pay/salary **5%**
- Trying to open/stay open, but cannot find staff/my staff does not want to work **5%**
- Additional expenses related to reopening (e.g., PPE, extra cleaning, signage) **21%**
- Have to add online store **5%**
- Have to add pickup/delivery service **4%**
- Providing adequate parking for customers/clients **3%**
- Have to add new product offerings **6%**
- Have to find a new customer base **12%**
- Have to reconfigure business location to support social distancing **13%**
- Face challenges from customers or employees who do not comply with Safe Start guidelines/practices (e.g., social distancing, mask wearing, etc.) **12%**
- Have to adapt to new sanitizing protocols **24%**
- Business had to close **5%**
- Other (please specify) _____ **11%**
- Not facing any challenges due to COVID-19 **11%**
- Lower revenue/lost customers* **5%**
- Challenge of staff working from home* **3%**
- Difficulty meeting with clients* **2%**
- Don't know/NA* **1%**

Q3. Have you received any of the following financial assistance during the COVID-19 crisis? (Check all that apply.)

- Paycheck Protection Program Loan (PPP) **39%**
- SBA Economic Injury Disaster Loan (EIDL) **14%**
- Working Washington Small Business Emergency Grant **2%**
- WeLoveMI campaign **7%**
- Private loans, lines of credit, etc. from your banking institution **3%**
- Other Federal, State, or Local funding sources **2%**
- Other private loan or grant programs (e.g., Facebook Small Business Grant Program) **3%**
- I have not pursued any financial assistance **48%**
- I applied for some of these, but did not receive any financial assistance **3%**
- Other (please specify) _____ **2%**

Q4. What changes have you made or are considering making due to COVID-19?



Employees work at home/remotely **11%**
 Online meetings/ZOOM, meet with staff and customers online **11%**
 Social distancing/Safety protocols/Reconfiguring space for distancing **9%**
 Reduce number of staff/ customers in facility/office **8%**
 Extra cleaning/sanitizing **8%**
 Develop/increase online presence/sales **8%**
 Masks/PPE **7%**
 Reduced hours of operation **5%**
 Increase advertising/marketing **4%**
 Lots of changes/new things to learn **4%**
 Business on hold/delayed due to uncertainty **3%**
 Closing some of our facilities to public **3%**
 Cutting expenses **3%**
 Downsize office space/rent **3%**
 Following rules/guidelines (general) **3%**
 Reduce charges/fee for service **3%**
 Considering home office/have home office **2%**
 Pick-up/delivery of goods/to go **2%**
 Staffing changes **2%**
 No travel **1%**
 None **19%**
 Other **9%**
 Don't know/NA **3%**

Q5. 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 **10%**
- Yes, I've heard of it, but have not visited the website yet **21%**
- No, I have not heard of it **69%**

Q6. During the COVID-19 crisis, the City of Mercer Island has taken several actions to support local Island businesses. Which, if any, of the following efforts are you aware of? (Check all that apply.)

- Appointed a staff member to serve as Small Business Liaison during the City's emergency response **22%**
- Connected local businesses with/provided guidance on available financial and other relief resources (e.g., Paycheck Protection Program, Safe Start plan, webinar series) **18%**
- Implemented priority pick-up zones for retail and food pick-up in Mercer Island Town Center **24%**
- Enacted emergency policies to assist Island businesses (e.g., B&O tax payment deadline extension) **11%**

- Coordinated marketing and outreach campaigns to promote local businesses (e.g., #TakeoutTuesday social media campaign) **20%**
- Redistributed park picnic tables to other locations to facilitate more public outdoor seating **11%**
- Secured grants to fund projects to support local businesses **9%**
- I was not aware of any of these efforts **53%**
- Other (specify) _____ **3%**

Q7. While operating with limited staff capacity and financial resources, the City of Mercer Island and the Mercer Island Chamber of Commerce continue to seek ways to support local businesses during the COVID-19 crisis. If resources were available, which of the following would help your business most during this emergency? (Please read list carefully. Pick up to three.)

- Resources for acquiring PPE supplies **16%**
- Assistance seeking commercial rental relief/other needs related to commercial property **12%**
- A way to let customers know you are now open **7%**
- Promoting your business through the City of Mercer Island's Let's Talk page with COVID-19 resources for businesses (letstalk.mercergov.org/coronavirus_business) **22%**
- Connecting your business with marketing assistance (e.g., social media marketing, creative advertising design) **18%**
- Connecting your business with technical assistance (e.g., website development, CPA) **10%**
- Connecting your business with ways to partner with other local business to enhance/promote products/services **17%**
- Exploring temporary codes/policies to enable customers to more easily access your products/services (e.g., code amendments to allow outdoor dining/shopping, priority pick-up/parking zones for retail and food pick-up) **8%**
- Other (specify) _____ **7%**
- Don't know what would help **19%**
- Nothing will help/Not needed **19%**
- Additional City staff/Open facilities/spaces **2%***

Q8. In the future, the City of Mercer Island may have the opportunity to implement policy or other actions to assist Mercer Island businesses. Thinking long-term, which of these policy or program areas would you want the City to explore on behalf of local businesses? (Pick up to two.)

- Parking in north and south end business districts (e.g., amount of parking, illegal parking) **24%**
- Walkability in north and south end business districts **14%**
- Helping people find their way to/from north and south end business districts **4%**





- Community-wide branding and marketing (e.g., Visit Mercer Island – Shop, Eat, and Enjoy) **16%**
- Business attraction **18%**
- Business retention **14%**
- Tourism development **3%**
- Funding mechanisms to support local businesses (e.g. tax-related district designation, regional/federal grants) **19%**
- Other (please specify) _____ **6%**
- Don't know what to suggest **21%**
- Nothing **8%**

Changing to zoning/coding to aid business 4%

Q9. Are you a member of the Mercer Island Chamber of Commerce?

- Yes (SKIP TO Q11) **23%**
- No **77%**

Q10. For what reasons have you chosen not to join the MI Chamber of Commerce?

- Not sure it would be beneficial/valuable for my business 23%*
- Not relevant to my business/customers off-Island 15%*
- No time 12%*
- Never thought about it 11%*
- Wasn't aware of it 9%*
- Not needed 7%*
- Don't want to pay dues/no money/cost 5%*
- New/we are just starting 4%*
- Would like to join 4%*
- Doesn't represent interests of MI businesses 2%*
- Not interested 2%*
- Not invited 1%*
- Other 4%*
- Don't know/no reason 11%*

Q11. Where do you currently access information regarding resources and opportunities for the Mercer Island business community? (Pick as many as apply.)

- Mercer Island Reporter **33%**
- Mercer Island Chamber of Commerce **21%**
- Mercer Island Rotary **2%**

- City of Mercer Island website **37%**
- City of Mercer Island's "Let's Talk" page with COVID-19 resources for businesses: letstalk.mercergov.org **5%**
- The City's "MI Weekly" e-newsletter **21%**
- Nextdoor **30%**
- Facebook – The City of Mercer Island **10%**
- Facebook – Mercer Island Chamber of Commerce **4%**
- Facebook (in general) **11%**
- Instagram – The City of Mercer Island **2%**
- Instagram – Mercer Island Chamber of Commerce **2%**
- Instagram (in general) **3%**
- MyMercerIsland.com (website/email newsletter) **14%**
- Word of mouth **39%**
- Other (specify) _____ **5%**
- I don't access information regarding the MI business community **18%**

Q12. What type of information related to the local business community are you interested in receiving from the City?

- Information on taxes/rules and regulations 8%*
- Ways to market/promote/support my business 8%*
- Economic development/new business development plans/retention 7%*
- Information on COVID-19/rules and regulations/PPE 7%*
- What's happening/local events/info on current and new business/newsletter 7%*
- Information on grants/loans/ tax relief/ incentives 6%*
- Directory of businesses/new businesses/open businesses 5%*
- Ways to network with others 2%*
- Parking in business district 1%*
- Anything/All (general) 8%*
- None/Nothing 21%*
- Other 6%*

Q13. How many years have you been doing business on Mercer Island?

_____ years

- Under 5 years 35%*
- 5-9 years 19%*
- 10-19 years 23%*
- 20 or more years 23%*





Q14. How many employees (full or part-time, excluding yourself) do you have?

- None 42%
- 1 12%
- 2 – 9 29%
- 10 – 24 11%
- 25 – 99 4%
- 100 – 499 1%
- 500 + 0%

Q15. What is your annual revenue for 2019?

- Under \$100,000 27%
- \$100,000 - \$499,999 26%
- \$500,000 - \$999,999 10%
- \$1,000,000 - \$4,999,999 12%
- \$5,000,000 or more 3%
- None 5%
- Prefer not to say 17%

Q16. Which of the following best describes your business? (Check all that apply.)

- Architecture/Engineering/Construction/Contractor 9%
- Artist/Arts Organization 5%
- Consulting 19%
- Childcare/Education Services (daycare, preschool, etc.) 5%
- Design Services (interior, graphic, etc.) 4%
- Financial Services (banking, CPA, financial planning, etc.) 9%
- Fitness Studio/Gym 6%
- Food/Drink Service 7%
- Grocery 1%
- Health/Wellness (dentist, physical therapist, acupuncture, etc.) 11%
- Legal Services 5%
- Manufacturing 2%
- Other Professional Services 7%
- Personal Services (hair salon, nail salon, etc.) 6%
- Real Estate (commercial, residential, lending, etc.) 6%
- Retail 6%
- Technology Services (software development, web services, etc.) 6%
- Other (specify) _____ 4%
- Non-profit 2%*

Q17. What other comments or suggestions would you like to share related to COVID-19 related challenges facing your business or other general needs you may have as a Mercer Island business?

- Appreciate the City's efforts 18%*
- Info for businesses/promotions/assistance 9%*
- Enforce safety protocols/mask wearing 7%*
- Open parks/community centers/restaurants 5%*
- Information on city zoning/codes 4%*
- Allow outdoor seating at restaurants 2%*
- Help with PPE 2%*
- None/Nothing 29%*
- Other 14%*
- Don't know 11%*

Q18. We will keep local business owners updated on our progress. If you would like to be added to our email list (you can opt out at any time), please provide your email address.

(Please note that your email address will not be connected to your responses. All survey participants and your responses will remain confidential.)

Thank you for sharing your opinions and experience with us.

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MARKET RESEARCH SERVICES