

TO: City Council
FROM: Austin Ramirez, Economic Development Manager
DATE: November 22, 2022
SUBJECT: Thurston Strong Phase II

1) Recommended Action:

Discuss the proposed scope of services for Thurston Strong Phase II.

2) Background:

At the October 26, 2021 City Council worksession, \$350,000 of federal American Recovery Plan Act (ARPA) funds was allocated to support Thurston Strong Phase II. In the time since, Thurston Strong has deployed approximately \$10 Million in recovery assistance county-wide and continues to reinforce sectors most in-need of stabilization funding and technical assistance.

At the September 20, 2022 City Council meeting, staff presented the proposed scope of services for Thurston Strong Phase II. City and Thurston EDC staff identified several priority needs in Tumwater reflected in the scope of services, including \$205,000 for childcare operator grants and \$80,000 for startup training scholarships for eligible businesses and entrepreneurs. Overhead for accounting and audit control (\$15,000) is also included in the total amount. Consistent with the original Thurston Strong program, these resources focus on helping entrepreneurs, businesses, and organizations adversely impacted by the pandemic. The Council requested that a decision on the proposed scope be deferred until it can be discussed at a worksession.

Of the \$350,000 allocated for Thurston Strong Phase II, \$50,000 remains available. Staff are seeking direction from Council on how to allocate the remaining funds. Options include increasing funding to childcare operator grants and startup training scholarships, or supporting other services such as housing, non-profits, or workforce development.

The Council also requested Thurston Strong data specific to Tumwater:

<i>Program</i>	<i># of Grants</i>	<i>Total Dollar Amount</i>
Thurston Strong Phase I	178	\$1,197,382
Thurston Strong Phase II	26	\$320,000
Target Zone Program	1	\$100,000
Total	205	\$1,617,382
City of Tumwater contribution for programs above: \$102,000		

3) Policy Support:

Economic Development Plan Goal #2 – Retain and support existing businesses

Economic Development Plan Goal #8 – Encourage economic development that strengthens the Tumwater community

Strategic Goal and Priorities – Work with partner organizations and jurisdictions to implement our goals to be a more inclusive community

4) Alternatives:

- ☐ Approve the scope of services as proposed (\$300,000), and provide direction regarding the remaining \$50,000.
 - ☐ Increase or decrease funding amounts for Thurston Strong Phase II activities.
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5) Fiscal Notes:

ARPA funds are available through 2025.

6) Attachments:

A. Proposed Scope of Services for Thurston Strong Phase II