



## **INFORMATIONAL MEMORANDUM**

**TO: Planning and Community Development Committee**

**FROM: Derek Speck, Economic Development Administrator**

**CC: Mayor Ekberg**

**DATE: October 11, 2021**

**SUBJECT: Trusted Community Partner Network**

### **ISSUE**

The Port of Seattle and the Seattle Metropolitan Chamber of Commerce have proposed creating a Trusted Community Partner Network to help small businesses recover from the pandemic and are seeking cities to participate.

### **BACKGROUND**

The COVID-19 pandemic has severely impacted many businesses, including small businesses. In response to the pandemic, federal funds to businesses have flowed in record amounts. However, due to size, historical inequities, language, and cultural challenges, many BIPOC-owned small businesses faced greater challenges accessing federal, state, and local funding and other resources. The Port of Seattle (Port) and Seattle Metropolitan Chamber of Commerce (Chamber) are partnering to develop a Trusted Community Partner Network to address some of these pandemic-related challenges to small businesses.

The Trusted Community Partner Network (TCPN) will help small businesses in King County through “navigators” who will provide culturally relevant, translated assistance and advice to help those businesses access resources. The Chamber will contract with the navigators and cities. Participating cities will contribute annual funding of \$1 per capita up to a cap of \$50,000. Cities can choose their source of funds such as general funds, American Rescue Plan Act (ARPA) funds, or their annual economic development grant from the Port. The funding would be for two years (2022 and 2023).

### **DISCUSSION**

Staff sees a significant need for Tukwila’s small businesses, especially BIPOC businesses, to access more of the available resources that can help them recover from the pandemic and grow. Additional small business navigators would help address that need and staff recommends the City participate in the TCPN.

Staff does not anticipate that the TCPN will fulfill all needs of our small businesses for navigation support and expects that over the next three years we will find additional gaps that we will fill with the ARPA funds.

### **FINANCIAL IMPACT**

Tukwila’s contribution would be \$21,970 per year for a total of \$43,940. The City could use its annual economic development grant from the Port (which would equal or slightly exceed the city’s contribution), ARPA funds (staff has requested \$200,000 for small business support, including navigation), or other funding sources.

### **RECOMMENDATION**

Information Only.

**ATTACHMENTS**

TCPN Presentation

TCPN Frequently Asked Questions

# Trusted Community Partner Network



King County  
Cities

## Challenge: Recession and Equity Crisis Growing Among Small Business

### **Over the past two years King County's small businesses have been staggered by the COVID pandemic:**

- Over 1000 restaurants and bars permanently shut down in King County;
- Leisure and Hospitality employment dropped 23 percent in 2020. Education services employment dropped 15 percent. Layoffs reflect that many small businesses in these sectors (or dependent on these sectors) were heavily impacted; and
- BIPOC businesses were disproportionately impacted by COVID yet near or at the end of the line in terms of accessing resources to support relief/recovery

# Trusted Community Partner Network

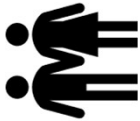
- Provides “**Navigators**” to help small businesses get the critical help and resources they need to survive
- **Supports significant outreach/technical assistance** at time when federal resources for recovery are flowing to states and local communities
- **Initiative built on successful community-based outreach** conducted when first round of federal relief funding was distributed
- **Prevents duplication of efforts** and leverages capacity of current small business advisors/lenders/etc.



Josephina from Burien needs a working capital loan to fully reopen her catering company



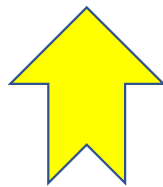
Assad needs city permitting assistance to support his retail clothing store in Kent



Joe and Tina need help to grow online sales for their wine bar/bistro café in North Bend



Benjie needs to hire employees and secure funding to support his metal fab shop in Shoreline



How Can I Help?  
Sideen ku caawin karaa?  
Cómo puedo ayudar?  
Paano Ko Kayo Matutulungan?



Trusted  
Community  
Partner Network

Small Business  
Development Centers

Community Development  
Lending Institutions

Federal ARRA Recovery  
Funding

Banks and other lenders

Minority Business  
Development Centers

Chambers of Commerce  
and Neighborhood  
Business Districts

SCORE, Startup 425 and  
other business advisors

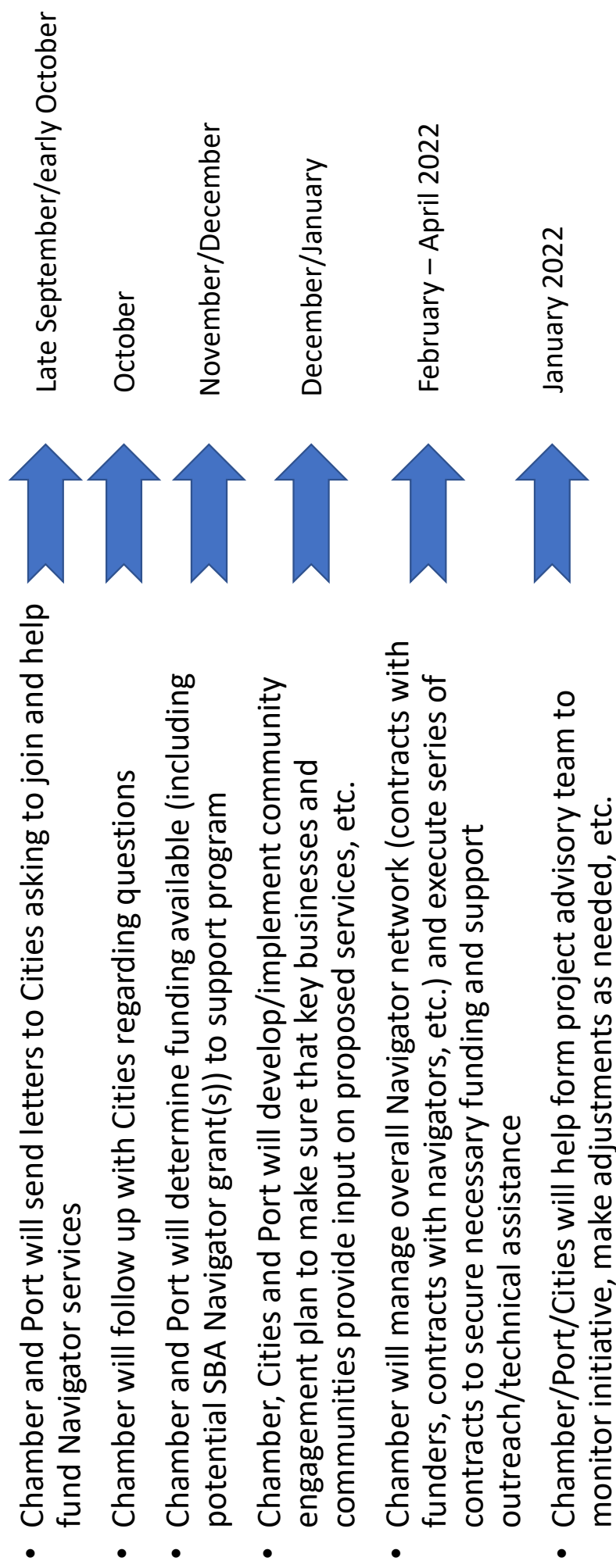
Workforce Training and  
Placement Partners

# Funding and Sustaining the Navigators

- We are asking the Cities to partner with the Chamber and Port to fund and help sustain the TCPN
- We are proposing a per cap funding formula where cities provide per capital funding for two years (based on 2021 population estimates. **Funding would be capped at \$50,000/year**
- Cities can use Federal ARPA funding, Port grant funding or general fund resources to support this regional partnership
- Funding partnership would generate approximately \$900,000 annually to support navigation services

Algona	\$ 3,265	Federal Way	\$50,000	North Bend	\$ 7,700
Auburn (part)	\$50,000	Hunts Point	\$ 425	Pacific (part)	\$ 6,960
Beaux Arts Village	\$ 300	Issaquah	\$39,840	Redmond	\$50,000
Bellevue	\$50,000	Kenmore	\$23,770	Renton	\$50,000
Black Diamond	\$ 5,990	Kent	\$50,000	Sammamish	\$50,000
Bothell (part)	\$30,000	Kirkland	\$50,000	SeaTac	\$29,890
Burien	\$50,000	Lake Forest Park	\$13,370	Shoreline	\$50,000
Carnation	\$ 2,285	Maple Valley	\$27,570	Skykomish	\$ 210
Clyde Hill	\$ 3,055	Medina	\$ 3,335	Snoqualmie	\$14,370
Covington	\$20,890	Mercer Island	\$24,990	Tukwila	\$21,970
Des Moines	\$32,820	Milton (part)	\$ 1,615	Woodinville	\$12,800
Duwall	\$ 8,090	Newcastle	\$ 13,410	Yarrow Point	\$ 1,030
Enumclaw (part)	\$ 13,030	Normandy Park	\$ 6,740	Chamber	\$100,000
				<b>TOTAL</b>	<b>\$969,720*</b>

## Next Steps/Timelines





# Why?

- ☑ **Provides a network of community-based organizations and culturally knowledgeable advisors** who are on the ground helping businesses in our underserved communities.
- ☑ The TCPN **augments the network of Small Business Development Centers, Chambers of Commerce, Community Development Finance Institutions, and other organizations** providing resources to small businesses.
- ☑ By **sharing costs** and promoting a regional network, local partners can leverage their own limited resources and benefit from economies of scale in outreach/support to business
- ☑ **Cities and community partners can tap into an array of outreach and technical assistance resources** to help businesses of all shapes, sizes, and ethnic backgrounds
- ☑ Comprehensive outreach to underserved communities works to ensure that recovery resources can be equitably accessed

# Q&A

# Trusted Community Partner Network -- Frequently Asked Questions

## What issues or problems will the Trusted Community Partner Network (TCPN) Address?

There are more COVID recovery resources available than ever before, but small businesses and particularly BIPOC businesses face additional barriers to accessing relief. Without a stronger outreach and coaching plan, our local business owners may never tap resources they need and deserve.

The TCPN will support the needs of small businesses who have been negatively impacted by the COVID pandemic. Many smaller firms need capital and other resources to overcome losses of revenues, reopening costs, and public health related operating challenges.

The TCPN will also help ensure that BIPOC and geographically underserved businesses gain access to culturally competent navigators who can help them connect to federal, state, and local recovery resources

## How will the TCPN Work?

The Chamber will contract with up to 15 navigators who can provide culturally relevant translated assistance to impacted small businesses. Three of the navigators will support companies in underserved rural and unincorporated portions of King County.

Navigators will provide linkages to help available from small business development centers, banks, chambers of commerce, workforce organizations and other partners.

Cities will be able to refer local businesses to navigators for general or specialized assistance.

## How will the TCPN be funded?

The Chamber and Port are asking King County cities to help fund the navigator network. We are asking Cities to invest \$1 dollar/capita based on 2021 population estimates for two years (2022 and 2023). We would cap contributions at \$50,000 for larger cities. The following table identifies each City's contribution:

Algona	\$ 3,265	Federal Way	\$50,000	North Bend	\$ 7,700
Auburn (part)	\$50,000	Hunts Point	\$ 425	Pacific (part)	\$ 6,960
Beaux Arts Village	\$ 300	Issaquah	\$39,840	Redmond	\$50,000
Bellevue	\$50,000	Kenmore	\$23,770	Renton	\$50,000
Black Diamond	\$ 5,990	Kent	\$50,000	Sammamish	\$50,000
Bothell (part)	\$30,000	Kirkland	\$50,000	SeaTac	\$29,890
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Duvall	\$ 8,090	Newcastle	\$ 13,410	Yarrow Point	\$ 1,030
Enumclaw (part)	\$ 13,030	Normandy Park	\$ 6,740	<b>Chamber</b>	\$100,000
				<b>TOTAL</b>	<b>\$969,720*</b>

Cities could use their general fund resources, ARPA funds, or Port grant funding to make this per capita investment. Our model to hire 15 navigators is based on raising approximately \$900,000 **annually**.

## **How Many Small Business Will Get Help? What's the Return on Investment?**

We estimate that the navigator network can help 3500 impacted businesses across King County. Special emphasis will be made to help BIPOC businesses and firms in rural or unincorporated areas.

It is hard to predict how many businesses will be served in each city. Each participating city will have access to the cadre of navigators and be able to make referrals to this network when local businesses need help. City partners can also partner with navigators to conduct outreach to businesses in their communities.

As businesses get the help to recover, they will also generate new sales, hire (or rehire) employees, and generate tax revenues and economic impacts that benefit local jurisdictions.

## **One Redmond has applied for an SBA navigator grant. What will become of this proposed partnership if they get this grant?**

The Seattle Metro Chamber and Port will modify their proposal if OneRedmond gets the grant. We will likely reduce funding required from cities covered by the OneRedmond grant although there may also be a need for additional navigators to serve all communities across King County.

## **What other benefits do Cities get by participating in the TCPN?**

By sharing costs and promoting a regional network, Cities can leverage their own limited resources and benefit from economies of scale in outreach/support to business. Comprehensive outreach to underserved communities also works to ensure that recovery resources can be equitably accessed.

## **What are the next steps and associated timelines for the Trusted Community Partner Network?**

The Chamber and Port will follow up on our invitation to join the TCPN within three to four weeks (by early November). We will contact each city to answer questions and see how each local jurisdiction wants to participate in the TCPN.

In November and December, we plan to formalize support for the initiative with each City. We will also begin implementing community engagement plans in partnership with the Cities to make sure the TCPN is based on strong input from BIPOC businesses and firms within underserved communities.

During the first quarter of 2022, the Chamber will execute a series of contract to secure necessary funding and support outreach/technical assistance. As the contracts are executed to establish the TCPN an advisory team will be created to monitor the initiative and guide its implementation.

## **Other Questions?**

Please contact us if you have other questions about the Trusted Community Partner Network:

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