



Economic Development Committee Small Business Finance Assistance

City of Tacoma | Community & Economic Development

Economic Development Committee

August 24, 2021

ITEM #



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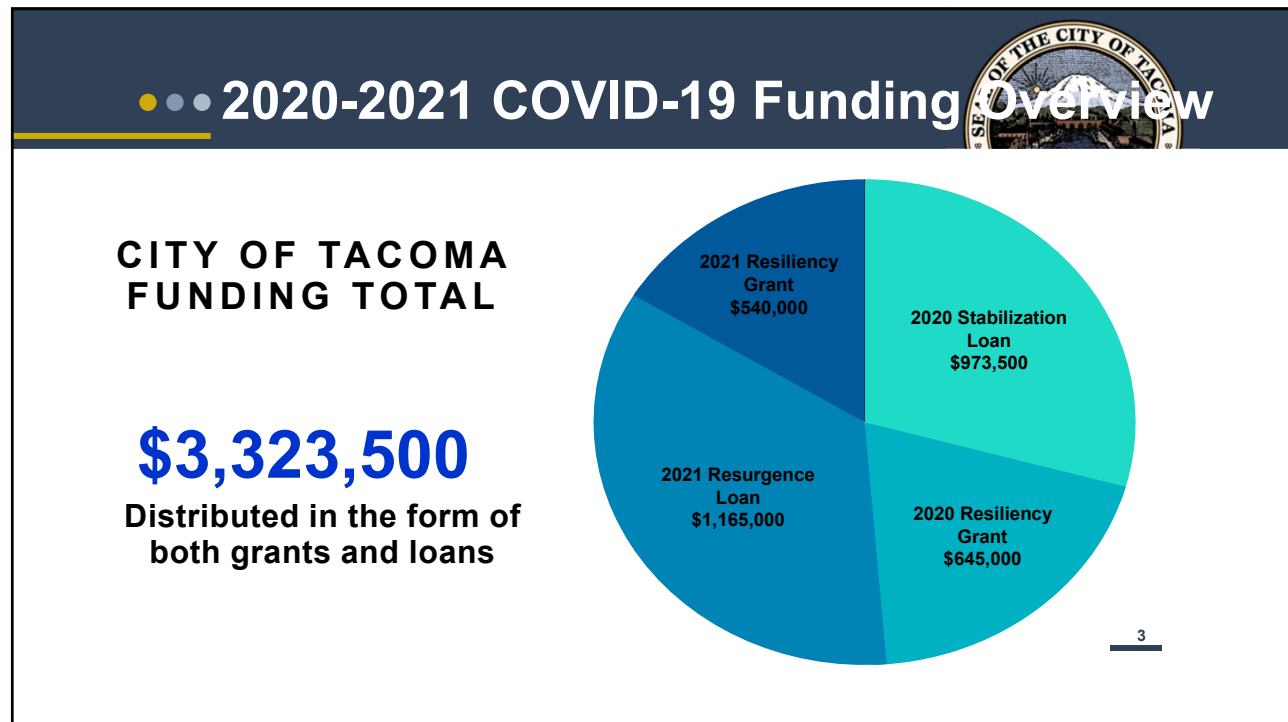
OVERVIEW



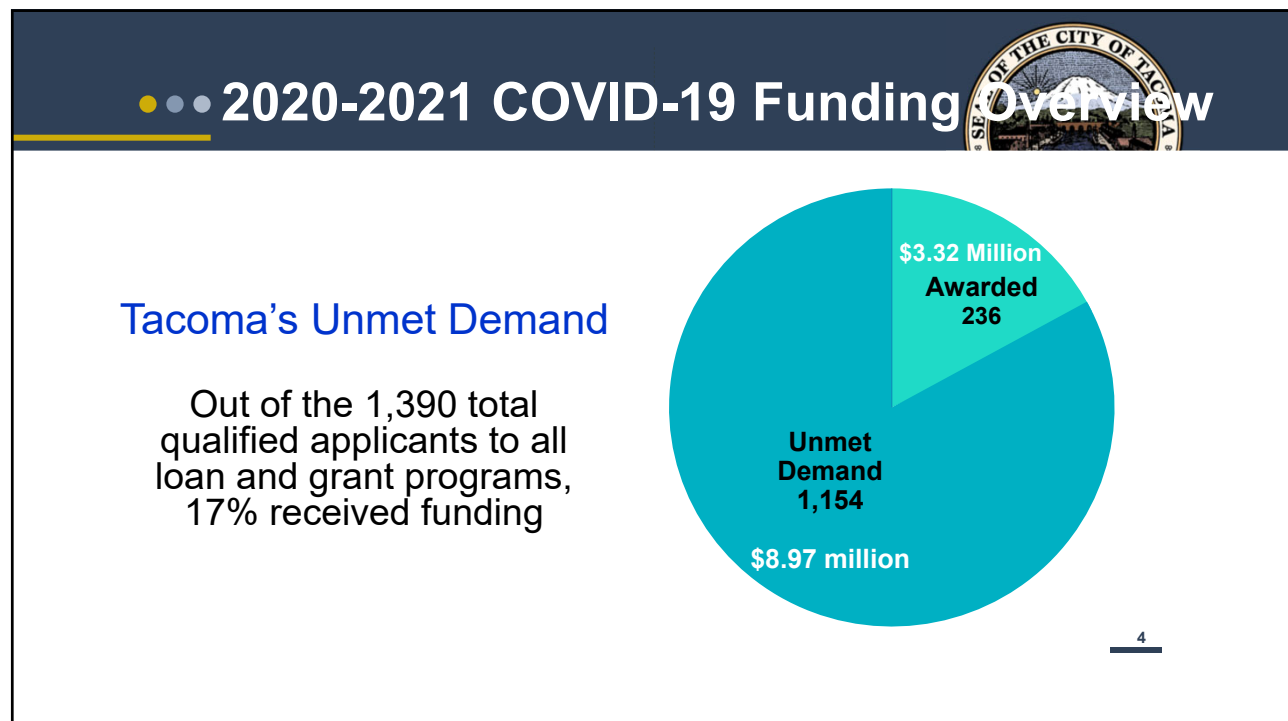
- 2020-2021 COVID-19 Funding Overview
- COVID-19 Business Update Results
- Lessons Learned
- ARPA Considerations

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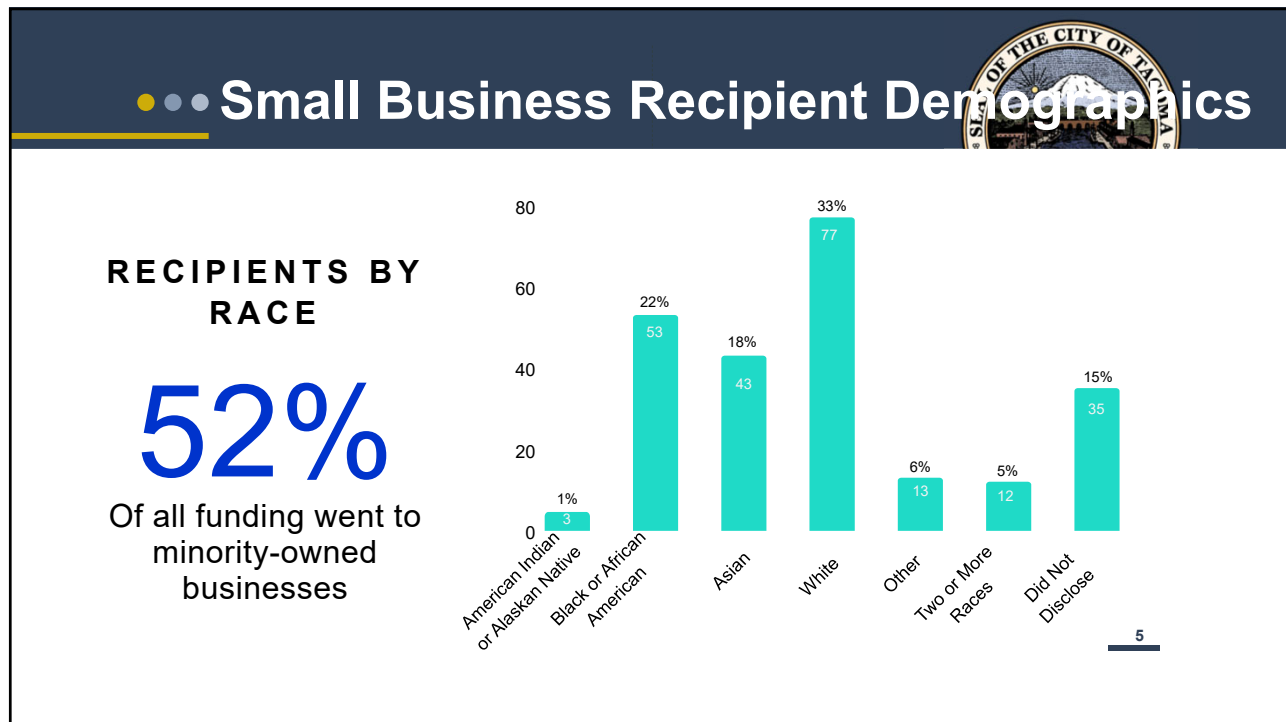
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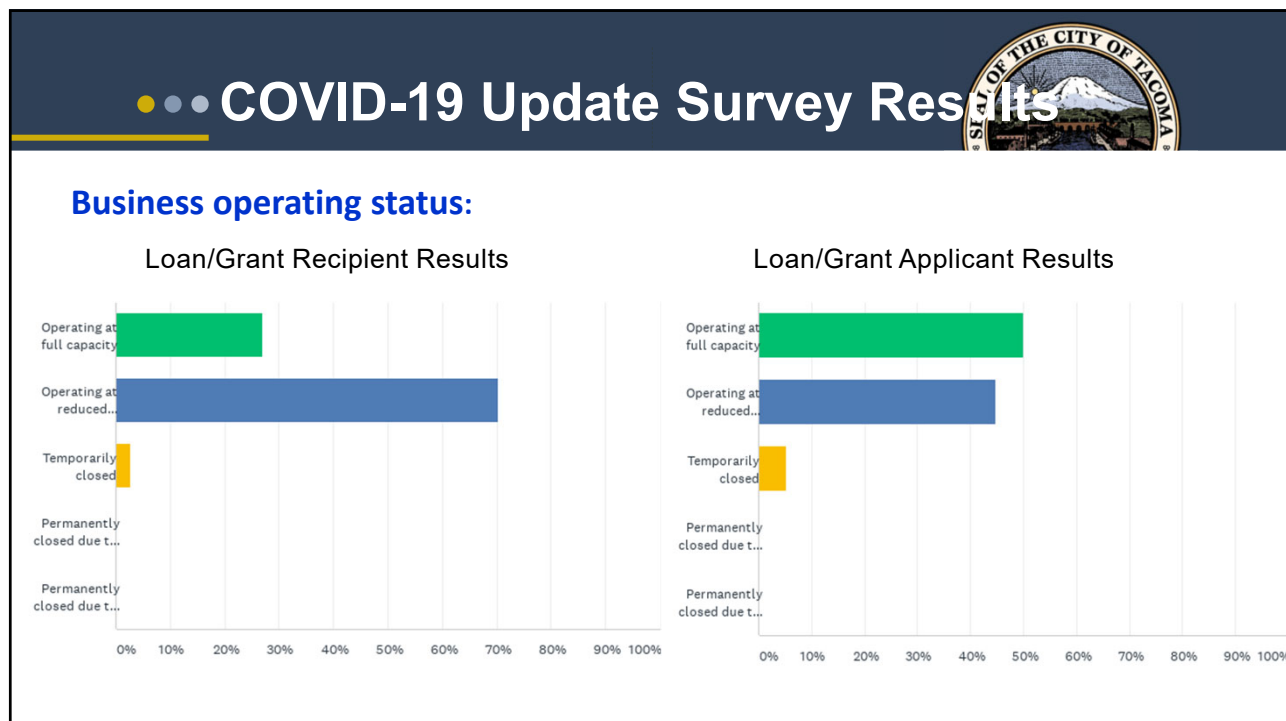
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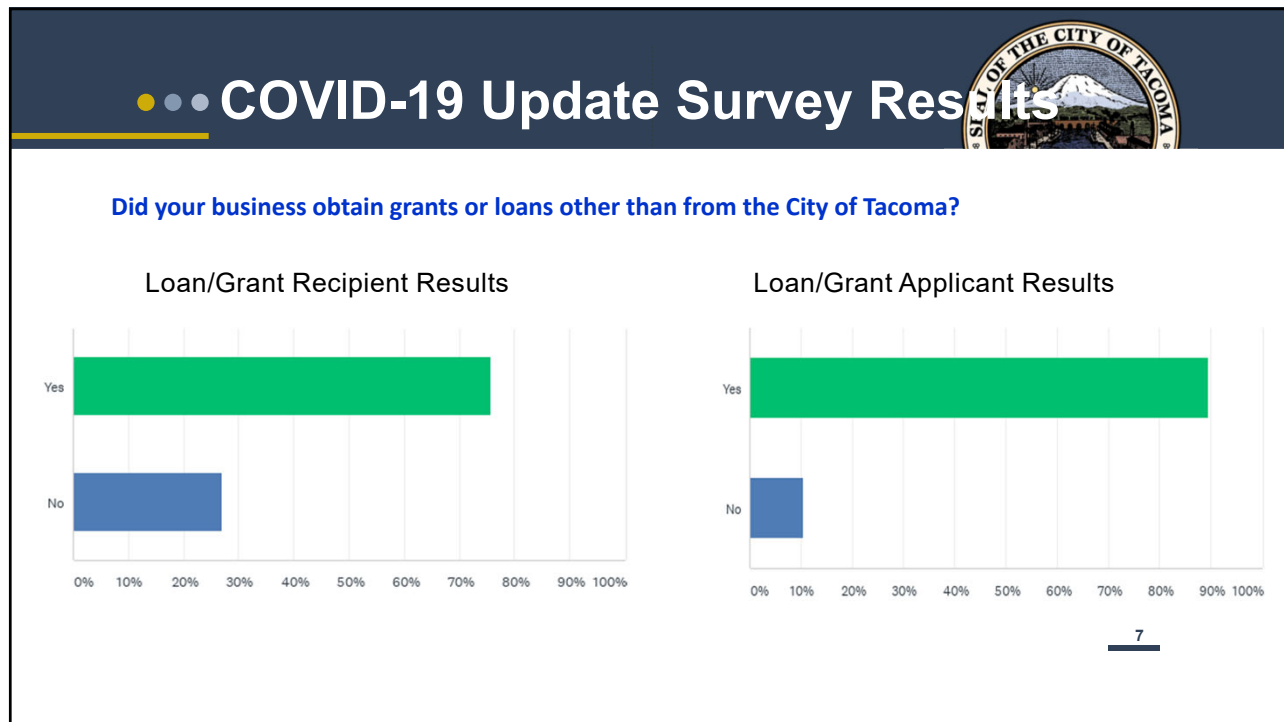
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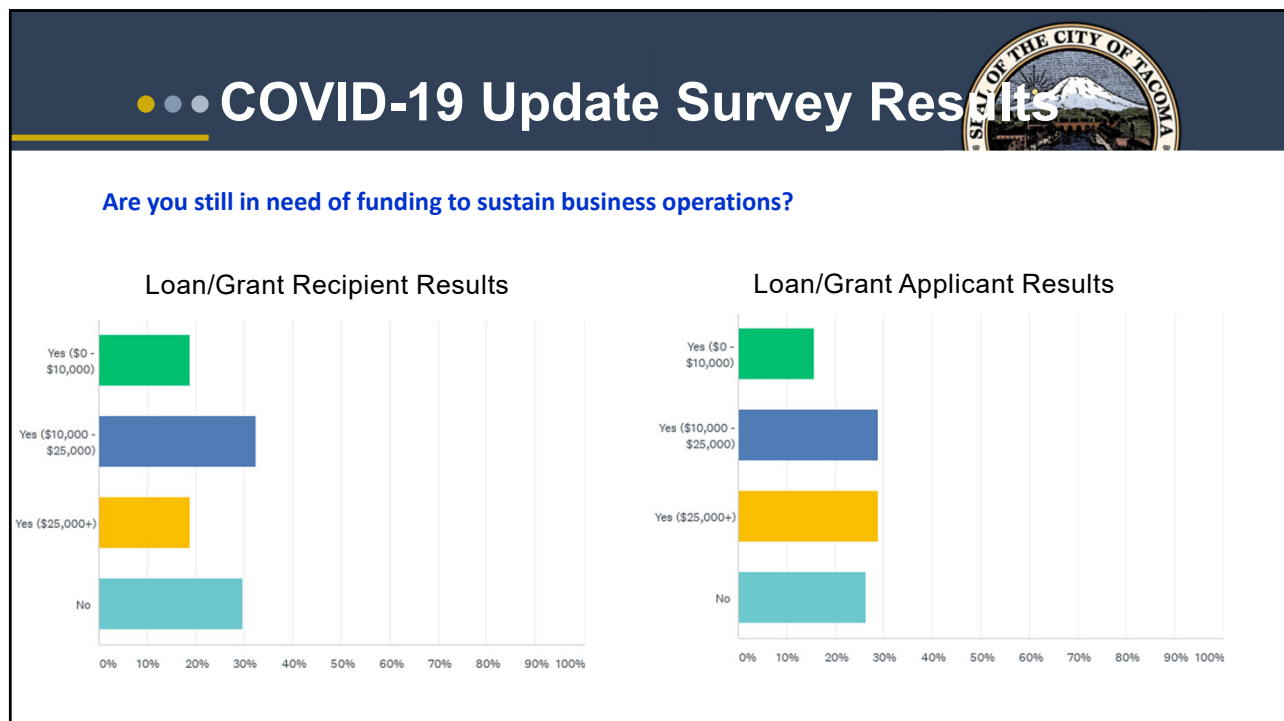
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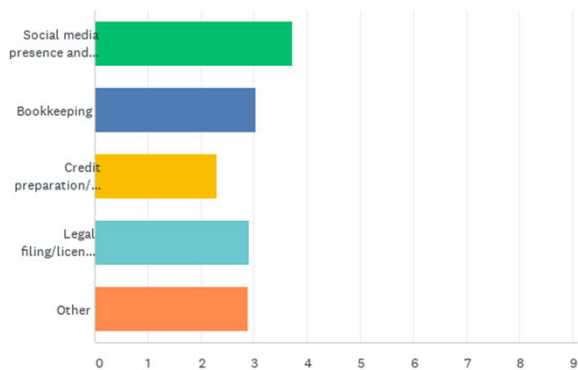
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COVID-19 Update Survey Results

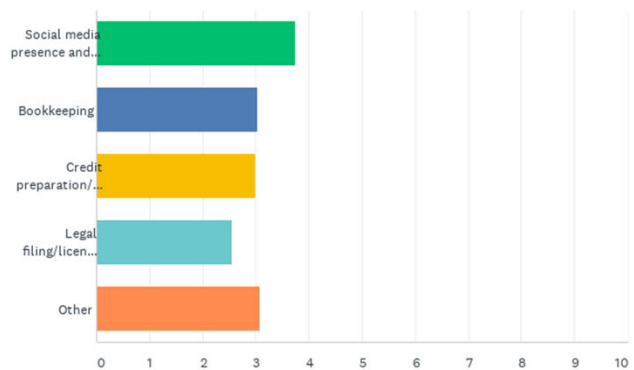


Please rank what kinds of technical assistance would be most helpful to your business currently:

Loan/Grant Recipient Results



Loan/Grant Applicant Results



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Lessons Learned



GRANTS


- Based on survey results there is still a significant number of businesses whose operations could benefit from \$10,000 in funding.
- Grant awardees require more technical assistance, making funding distribution longer.
- Despite smaller amount of funding, these grants impact micro-businesses greatly.

LOANS

- Of the 68 Stabilization Loan recipients, 6 businesses have repaid early, 5 businesses are paying above the minimum, and only 2 businesses have had issues with repayment.
- Loans are more difficult for some sole-proprietors to access due to lack of balance sheets

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ARPA Recommendations

GRANTS

- \$15,000 per business (160 total)
- Application re-launch
- 80% Area Median Income (AMI) requirement
- Prioritization of areas of low and very low economic opportunity and previously unfunded businesses
- Re-configuring of specific eligibility requirements for added flexibility:
 - Business opening date (1/1/2020 instead of 3/16/2019)
 - No restrictions on funding usage period
 - Expand to 10 FTE limit
- Targeted business-types/industries:
 - Restaurants/Food Businesses: \$600,000 (\$120,000 for outdoor seating)
 - Retail: \$600,000
 - Artists/Creative "Solopreneurs": \$450,000
 - Construction: \$450,000
 - Other: \$300,000

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