



# Mesa CARES

## Mesa CARES Small Business Reemergence Program

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# Mesa CARES

## Small Business Reemergence Program

### Update on City of Mesa response to COVID-19

- Immediate response when companies began to close, pivoting OED staff to focus the bulk of time on business outreach
- Launched a Needs Assessment of the business community, interviewed businesses, encouraged Mesa companies to complete our Business Impact Survey, and reviewed other data sources to determine need
- Developed a one-stop business and workforce website portal with valuable information targeting businesses, employees, recently unemployed, and prospective employers.



# Mesa CARES

## Small Business Reemergence Program

### Update on City of Mesa response to COVID-19

- Planning, preparation, and program development for relief
- Dept. of Treasury Guidelines: CARES Act funds may only be used to cover costs that are necessary expenditures incurred due to the public health emergency with respect to COVID-19 and were incurred during the period that begins **March 1, 2020 and ends on Dec. 30, 2020.**
- Expenses associated with the provision of economic support in connection with COVID-19 public health emergency, such as expenditures related to the provision of **grants to small businesses** to reimburse the costs of business interruption caused by required closures.



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## Business Impact Survey - Mesa

**450 responses, 82% were Mesa businesses**

### **Employee count of Mesa businesses**

- 50% had less than 4 employees
- 33% had 5-24 employees

### **Years at the Mesa location**

- 25% in Mesa 1-5 yrs
- 29% for 6-15 yrs;
- 26% for 16+

### **Lease vs Own**

- 60% lease / 40% own their facility

*“Since the Stay at Home measures, sales last Saturday were \$130 when they should be between \$1,300 and \$1,800 this time of year.”*

*- Mesa-based bar/restaurant*



# Mesa CARES

## Business Impact Survey - Mesa

**450 responses, 82% were Mesa businesses**

### **How did COVID-19 affect your business?**

- 54% of respondents said they were significantly affected by COVID 19
- 26% said minimal impact
- 16% are on the verge of losing their business

*“According to Smith Travel Report, during the week of Mar 29-April 4, hotels in Mesa were down 68% and revenue was down 77% vs. the same week last year. April will be worse.”*  
- Mesa tourism official



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## Business Impact Survey Results

### **Greatest need is immediate financial relief**

- Rent Relief / Deferral
- Utility Relief / Deferral
- Cash grants/ Short-Term Loans
- SBA Loans to be quicker, clarity of process

### **Access to PPE/cleaning supplies**

### **Need customers to return**

- Uncertainty of “where the bottom” is
- Marketing / Advertising assistance
- Plan for re-opening

*“I have no income. Business was closed by order of the Governor.”*

*- Mesa-based Barber Shop*



# Mesa CARES

## Small Business Reemergence Program

### Presentation Agenda

- Mesa's business landscape
- Goals of the program
- Process for determining policy for awards
- Eligibility recommendations
- Questions, Discussion, Direction



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## Small Business Reemergence Program

### Small Business Landscape in Mesa:

- 12,000\* total businesses
  - 11,834 businesses with under 100 employees
  - 11,519 businesses with under 50 employees

*\*City of Mesa does not have a business registry so analysts have utilized multiple data sources to provide an estimate.*

*Sources: ESRI; Maricopa Association of Governments; City of Mesa Tax & Licensing*





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## Small Business Reemergence Program

### Small Business Landscape in Mesa:

- Industries hit the hardest include retail, restaurants, and accommodations/hospitality
- Mesa is home to 2,200 restaurants and bars
- 66 hotel properties, 5,579 hotel rooms



# Mesa CARES

## Small Business Reemergence Program

### Goals of the Mesa CARES Program:

- Help as many Mesa-based businesses as possible and still provide meaningful assistance
- Prioritize assistance for businesses who did NOT receive CARES Act funding
- Prioritize assistance for businesses who were mandated to close or forced to significantly modify their operations due to Executive Order
- Distribute the funds directly to businesses quickly, efficiently, and within the guidelines of the CARES Act.
- Provide technical assistance to businesses for marketing, safety and health training, workforce development, website development, disaster preparedness, facility re-design and modification, etc.



## Small Business Reemergence Program

Policy considerations for assistance / Designing the program

- Non-recipients of CARES Act (SBA federal programs)
- Businesses with a physical, commercial address in Mesa
- Grant program
- Awards based on demand and amount of funding available
- Industry type – evidence of industries hit the hardest
- How significant COVID-19 impacted the business - Mandatory closure or limited service options for the purpose of stemming the spread of COVID-19?



# Mesa CARES

## Small Business Reemergence Program

Recommendations based on CARES guidelines and needs assessment

- Relief and reemergence program to reimburse business interruption
- Intent is to help businesses planning to re-open or get back to full operation
- Grant to eligible businesses will cover monthly essential operating expenses (up to 90 days):
  - Utilities (electric, natural gas, water, waste, cable, telecom)
  - Rent or mortgage payments
- Supporting documentation will be required
- Awards will most likely be capped at a few different “tiers”



# Mesa CARES

## Small Business Reemergence Program

### Process for Application:

- Application will be available online and will be open for two weeks.
- Mesa CARES Call Center staff will be available to answer questions and help complete applications over the phone.
- Verification documents will need to be uploaded with the online application including lease agreements, mortgage invoices, and utility bills.
- After the application deadline, there will be an evaluation period to determine how many applications may be funded and at what level.
- Goal is to make awards and deploy grants by July 1, 2020.



*Mesa CARES*

Questions, Comments, Discussion