

ECONOMIC DEVELOPMENT COMMITTEE

February 22, 2021

The Economic Development Committee of the City of Mesa met via a virtual format streamed into the lower level meeting room of the Council Chambers, 57 East 1st Street, on February 22, 2021 at 4:00 p.m.

COMMITTEE PRESENT COMMITTEE ABSENT STAFF PRESENT

Julie Spilsbury, Chairperson* Francisco Heredia* Kevin Thompson* None Christopher Brady*

William Jabjiniak Dee Ann Mickelsen

Jack Vincent

(*Participated in the meeting through the use of video conference equipment.)

Chairman Spilsbury conducted a roll call.

1. Items from citizens present.

There were no items from citizens present.

- 2-a. Hear a presentation, discuss and provide a recommendation on the City's practices and programs related to small business assistance including:
 - a) The Mesa CARES Small Business Technical Assistance Program results, existing small business assistance programs and services, and recommendations for expanding small business services in Mesa.

Assistant Economic Development Director Jaye O'Donnell displayed a PowerPoint presentation to highlight Mesa's Small Business Assistance Program and services that are offered currently, as well as ideas for future programs. (See Attachment 1)

Ms. O'Donnell stated the Mesa CARES Technical Assistance Program (TAP) is one of three efforts the Office of Economic Development led which included the financial assistance grant program, as well as marketing for the visitor industry and local consumers. (See Page 2 of Attachment 1)

Ms. O'Donnell reported the TAP was developed in a matter of weeks and executed in just over six months and during that time the City partnered with 12 local non-profit agencies and over 35 subcontractors to deliver the \$1.04 million in technical assistance to 250 businesses. She mentioned the program has delivered more than 3,300 hours of assistance and has produced and aired more than 70 webinars. (See Page 3 of Attachment 1)

Ms. O'Donnell outlined that the TAP provided services such as Personal Protective Equipment (PPE), signage, reimbursement for patio expansions, specialty training, and rent assistance. (See Page 4 of Attachment 1)

Ms. O'Donnell discussed the large digital divide that became apparent as the program began because some businesses did not even own a computer. She shared ways the program helped bridge the divide. She added businesses needed a presence online to be able to function during the pandemic. (See Page 5 of Attachment 1)

Ms. O'Donnell gave a high-level report on the utilization of the program from information gathered through a client survey. She remarked the vast majority of businesses served had less than five employees and half of the businesses were minority owned. (See Page 6 of Attachment 1)

Ms. O'Donnell provided an overview of the TAP services that businesses utilized, adding more than half used one-on-one marketing consulting and just under half used website support. She provided the top industries served through the program. (See Pages 7 and 8 of Attachment 1)

Ms. O'Donnell pointed out by December, 77% of the respondents watched at least one webinar and 11% watched 10 or more webinars. She shared that 60% of those surveyed said their sales either stayed the same or increased during the pandemic due to the TAP. She reported 92 of the 112 surveyed rated their overall satisfaction with the program as good or excellent. She advised that 92% of respondents felt their business was stronger after the program. (See Pages 9 through 12 of Attachment 1)

Ms. O'Donnell shared a comment from a participant who was able to rebrand, maintain her patient base, retain her employee, and create a website through the services offered by TAP. (See Page 13 of Attachment 1)

Ms. O'Donnell emphasized that 96% of participants plan to continue connecting with the City of Mesa (COM) for small business assistance resources. (See Page 14 of Attachment 1)

Ms. O'Donnell spoke about the fact that Mesa has previously offered small business services through different avenues like online services, cooperative marketing, and special events. She gave the example of the Mesa Business Resource Guide which is published annually and is a comprehensive guide for starting and doing business in Mesa. (See Page 15 of Attachment 1)

Ms. O'Donnell reviewed the next steps moving forward for supporting small businesses. She presented Mesa Business Builder, a small business toolbox. She pointed out the new website MesaBusinessBuilder.com was launched with the goal of generating awareness regarding the existing programs, tools, and services while packaging these programs and services under a single brand. (See Page 16 of Attachment 1)

Ms. O'Donnell explained that Mesa Business Builder HUUB is an online learning and networking platform. She described that the platform expands entrepreneurial resources to

underrepresented communities in partnership with government agencies, academia, and community partners with 24/7 access. She said the platform provides access to an unlimited number of businesses to register and engage on the HUUB. She indicated the HUUB captures demographics and company information needed for analytical purposes which will allow the City to make informed decisions. (See Page 17 of Attachment 1)

Ms. O'Donnell advised that the HUUB was created by CO+HOOTS and Mesa was the first city to partner with them to utilize this platform. She commented community engagement is a key component of the HUUB and making sure the visitors to the site are connecting to resources. She indicated Mesa saw nearly 10,000 visits per month during peak months and 6,000 visits during slower months with individuals visiting the site an average of four times a week. She mentioned the engagement led to a better understanding of the challenges that business owners were facing and gave the ability to pivot to provide customized training for their needs. (See Page 18 of Attachment 1)

Ms. O'Donnell identified the simplified categories that would continue based on what worked well in the Mesa CARES program, what served the businesses in a significant way, and what could be accomplished that would be meaningful to Mesa's businesses. She highlighted the webinar categories that were purchased and will continue to be available for business owners. (See Pages 19 and 20 of Attachment 1)

Ms. O'Donnell stated in collaboration with City departments, new mini on-demand courses are available to streamline the inquiries that the City receives and to create efficiencies for City staff through training that will assist businesses in completing common business-related items. She said people prefer to watch videos rather than read content and having quick tutorial videos are a good solution. She mentioned partners are also able to publish webinars on the HUUB. (See Page 21 of Attachment 1)

Ms. O'Donnell commented the technical assistance management tool can be utilized if Council decides to allocate a certain number of technical assistance hours or workshops. She remarked the HUUB accommodates multiple service providers and eliminates the need for the City to have case managers. She pointed out for the 250 technical assistance clients served during CARES, there were up to 12 case managers from the City working with those businesses. She outlined some specialty programs that could be offered. (See Pages 22 and 23 of Attachment 1)

Ms. O'Donnell declared the mission is to aid small businesses to build business competency, increase competitiveness, and promote resiliency. She identified the primary targets as microsized business with less than five employees, then secondarily businesses with less than 25 employees that really need assistance in modernizing their operations and marketing to become more competitive in today's environment. (See Pages 23 and 24 of Attachment 1)

Ms. O'Donnell expressed her belief that the COM Office of Economic Development is capable of managing the program and the contracts with select partners. She mentioned a request for proposal (RFP) process would be conducted to choose vendors who would deliver the key services. She verified a brief application would be required to get on the HUUB platform with another more formal tier process if technical assistance hours were being assigned to small businesses. (See Page 25 of Attachment 1)

Ms. O'Donnell commented the program would need the continued partnerships with the non-profit agencies and the private consultants. She advised the number of businesses the COM would be able to assist would depend on the budget and the type of support needed. She

reported with a reasonable investment, 100 plus new businesses each year could be assisted with the majority of those being micro-businesses and minority-owned businesses, in addition to the current existing businesses already on the platform that would continue to be served. She mentioned the COM would be able to obtain data collection with key performance indicators that could be reported back to Council. (See Page 26 of Attachment 1)

Committeemember Thompson suggested having classes or a check list for start-up businesses that explains the items needed to establish a business. He mentioned partnering with a bank who could sponsor a day to teach a class on what is needed for someone applying for a start-up loan. He remarked there are opportunities to develop public/private partnerships who will sponsor trainings that will provide necessary information on a variety of topics.

In response to a series of questions from Chairperson Spilsbury regarding whether the program is dealing only with start-up companies or also assists existing businesses and how much CARES money went into the TAP, Ms. O'Donnell answered the businesses in the program are primarily businesses that have been around for quite some time. She pointed out that most businesses in the program have similar challenges at this time, like needing assistance with grants and capital, or marketing assistance. She mentioned the idea of having sponsorships around key categories is something that should be pursued and that the private sector is interested in participating. She added the City needs to work off the momentum created through Mesa CARES and consider what pieces are needed for the foundation and then building up the program. She said \$1.04 million went into the TAP for a variety of non-profit agencies, for one-on-one technical assistance, workshops, webinars, and the HUUB platform. She advised decisions will need to be made on how to continue to utilize HUUB in future, adding at this time HUUB is still available to all Mesa businesses for free.

City Manager Christopher Brady stated the purpose of today's presentation is to discuss what is currently being done and the opportunity to work on new initiatives with CARES funding. He added staff are looking for feedback from the Committee regarding whether these are the types of programs that should be part of the budget discussion with Council.

Comitteemember Heredia mentioned creating a more robust program for small businesses that offers fundamental building blocks and additional resources.

In response to a question from Committeemember Heredia regarding if there were businesses that did not receive assistance and the reason, Ms. O'Donnell explained there were many businesses who came in very late to the program for technical assistance and were not able to receive all the services because the consultants needed to finish the jobs that were already started. She indicated that issue could be alleviated by having a program that is funded on an ongoing basis.

Committeemember Thompson conveyed his continued support for the program. He noted that his wife utilized several webinars and updated her website from information learned through the program. He mentioned the program is good for small businesses, no matter how long they have been in business, to refresh their marketing and website, and doing business in general.

Chairperson Spilsbury agreed with the comments, adding she likes the Mesa Business Builder logo. She stated the information is helpful for small businesses and working with partners helps bring all the pieces together.

- Mr. Brady stated with the direction of the Committee he will work with Economic Development to put together a package to present to Council as part of the budget process.
- b) Project coordination for businesses seeking information and assistance for permitting, zoning, code, licensing, and other development related inquires.

Development Services Department Director Christine Zielonka introduced Small Business/Homeowner Assistant Heather Omta who displayed a PowerPoint presentation. (See Attachment 2).

Ms. Omta remarked the Development Services (DS) Small Business Assistance (SBA) is to help advocate, promote, and contribute to small businesses in Mesa. She discussed the history and current role of the small business assistant position is to build rapport with the business community and conduct outreach to those considering starting a business or existing business in Mesa.

Ms. Omta stated a need was identified to provide assistance to home occupations, microbusinesses, and small businesses through the land and building use process. She commented the DS small business position was approved as a designated role and initially focused on plan review and helping customers at the counter. She indicated when COVID hit, things rapidly changed, and processes had to change in order to assist with the needs and the demands of the community. She explained her background and her commitment to help the community navigate the processes and guide them through the necessary steps. (See Page 2 of Attachment 2)

Ms. Omta reported the program builds a rapport through creating a customer connection by dedicating particular initiatives to individual needs. She mentioned the goal is to improve the customer experience and the time frames that projects get authorized, preparing for next steps, or being an information source. She said the assistance program collaborates with many departments, agencies, and organizations to improve connectivity and link businesses with other resources. She added the City wants to make sure that Mesa businesses know that resources are available to support them. (See Page 3 of Attachment 2)

Ms. Omta outlined the ongoing efforts for assisting businesses. She highlighted the Mesa Al Fresco program was able to put \$26,300 of CARES money back into the community by approving 58 patio extensions thus far. She advised there are two new COVID testing sites in Mesa, permit extension fees have been waived, and temporary signage has been unrestricted to let the community know a business is open and available. She shared examples of ongoing efforts through tenant improvements and the streamlined permitting process. (See Page 4 of Attachment 2)

Ms. Omta reviewed the measures that are taking place for outreach to the public which include a new SBA website, social media, and word of mouth. She commented once the community knows there is a resource available, the resource is shared to create consistency and dependability. She elaborated by saying staff will continue to do site visits, as well as educating and informing the community and staff on the processes and promotion of building cross-connections with more associations and organizations. (See Page 5 of Attachment 2)

Ms. Omta expressed the opinion that Mesa is a business-friendly city, and the desire is to maintain that reputation. She said the City wants to be a reliable resource and provide support

though all phases, while staying relevant and proactive to the demands and needs of the community. (See Page 6 of Attachment 2)

Ms. Omta advised since November she has responded to over 1,000 business inquiries, there have been almost 60 certificates of occupancies approved for new businesses, and over 70 site visits. She mentioned she is creating resource guides that will help improve communication with customers and instruction guides to help with the DIMES portal to find amicable solutions for business owners. (See Page 7 of Attachment 2)

Chairperson Spilsbury shared her thoughts that the COM have a small business registry to help deliver all the tools the SBA offers for new businesses or existing businesses.

Mr. Brady stated the purpose of the presentation was to provide the information. He added Ms. Omta could come back several times a year to update Council on the progress and the important component is that the community knows about the service.

In response to a question posed by Committeemember Thompson asking if Development Services and Economic Development could work together and run the programs in conjunction with each other, Mr. Brady explained that however the individuals are interfacing with the City, both services are available.

Ms. Omta expanded by saying that there is a lot of cross-connection between the departments and information regarding DS is available on the Economic Development website, and vice versa, to ensure the information is attainable in multiple areas.

Committeemember Heredia expressed the opinion that that DIMES is confusing based on his experience in trying to set up a business. He commented that providing information on ways to navigate DIMES would be helpful. He pointed out that a how-to video for DIMES is available on Channel 11.

Adjournment.

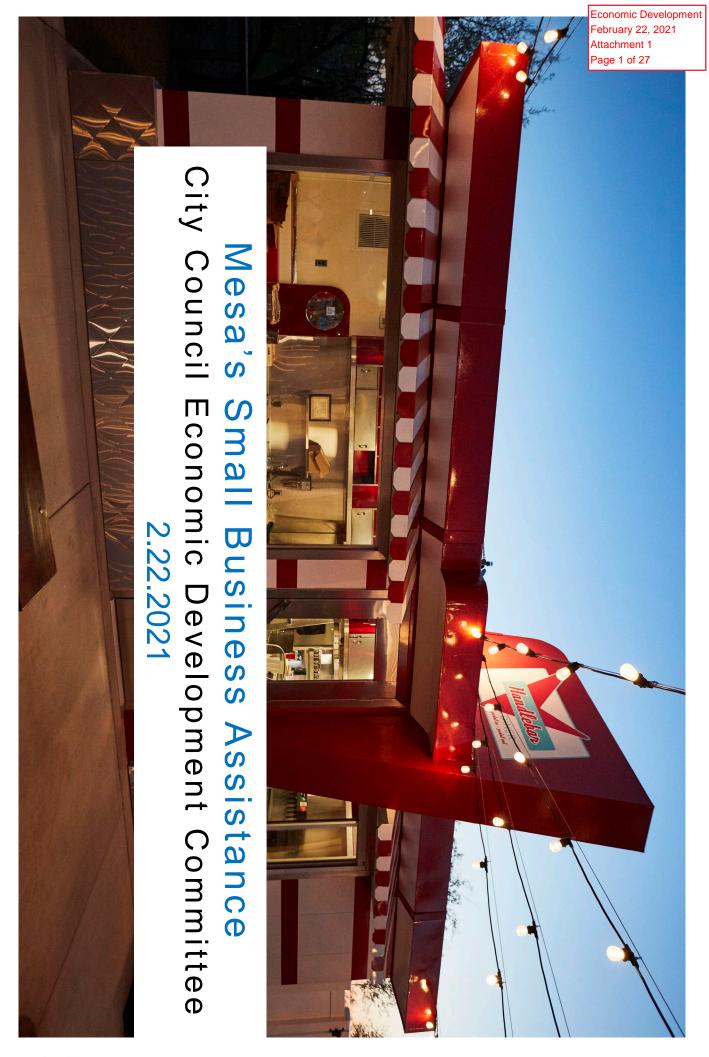
Without objection, the Economic Development Committee meeting adjourned at 4:53 p.m.

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the meeting of the Economic Development Committee of the City of Mesa, Arizona, held on the 22nd day of February 2021. I further certify that the meeting was duly called and held and that a quorum was present.

DEE ANN MICKELSEN, CITY CLERK

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(Attachments - 2)





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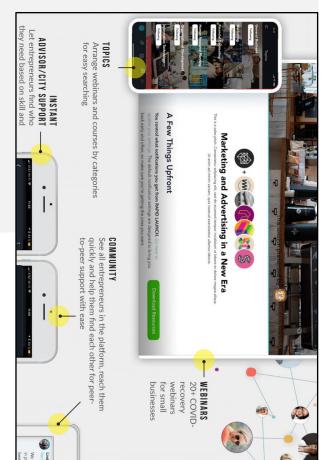
rogram (TAP) Results esa CARES Technical Assistance

Lessons Learned

- Review utilization of the programs and services
- Review survey results from clients
- What worked well, what did not work well

Sustaining a New Program

- Tools in place before Mesa CARES are still in use
- Existing tools created during CARES that have viability in new program
- New "program" scale and reach, target market, mission
- Delivery mechanisms, partners, performance measures
- Resources needed to achieve goals





Program Highlights June – December 2020: mall Business TAP Highlights

- Partnered with 12 local non-profits and 35 sub-contractors to
- Delivered 3,300+ hours of 1:1 assistance which included coaching and analysis in business planning/strategy, finance, deliver \$1.04 million in technical assistance to 250+ businesses marketing / sales, e-commerce, restaurant ops, and more
- Produced/Aired more than 70 webinars in areas of marketing, strategic planning, HR, and more finance, social media, public relations, digital commerce, legal,





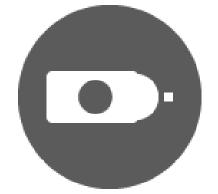




5mall Business TAP Highlights

Packages or standard "menu" items

- 94 businesses received \$42,000 of PPE
- **61 businesses** received **Signage** valued at \$30,000+
- 27 businesses were reimbursed for Mesa Al Fresco patio expansions at \$26,000+
- 25+ restauranteurs participated in Restaurant hours of 1:1 specialized consulting - \$51,200 Bootcamps (3), customized trainings (11), and 100+
- Local Community Kitchen \$10,500+ 13 businesses received rent assistance at Fuerza





Small Business TAP Highlights

Bridging the Digital Divide:

- SEO \$117,000+ value existing websites adding functionality and improved 68 business built new websites or refreshed
- provided higher position on Google \$22,500 value 47 businesses published virtual tours online that
- 18 businesses completed a beginner or intermediate Computer Literacy class
- an Excel class 10 Spanish-speaking business owners completed a beginner Computer Literacy class and





urvey: Small Business TAP Clients

Q: How many FTEs do you currently have?

- 1 employee **45**%
- 2 employees 28%
- 3-5 employees 15%
- 6-9 employees 5%
- 10+ employees 8%



Q: What is the ethnicity of primary business owner?

(103 respondents)

- White or Caucasian 49%
- Hispanic or Latino 22%
- Black or African American 17%
- Asian or Asian American 10%
- Native American or American Indian 1%



Small Business TAP Utilization

Q: What programs did you utilize?

57% - Marketing Consulting, one-on-one

46% - Website Development

43% - Webinar Classes

43% - HUUB Digital Platform / Webinar Library

38% - Personal Protective Equipment (PPE)

32% - Business Planning/Coaching, one on one















Burvey: Small Business TAP Clients

Top industries served:

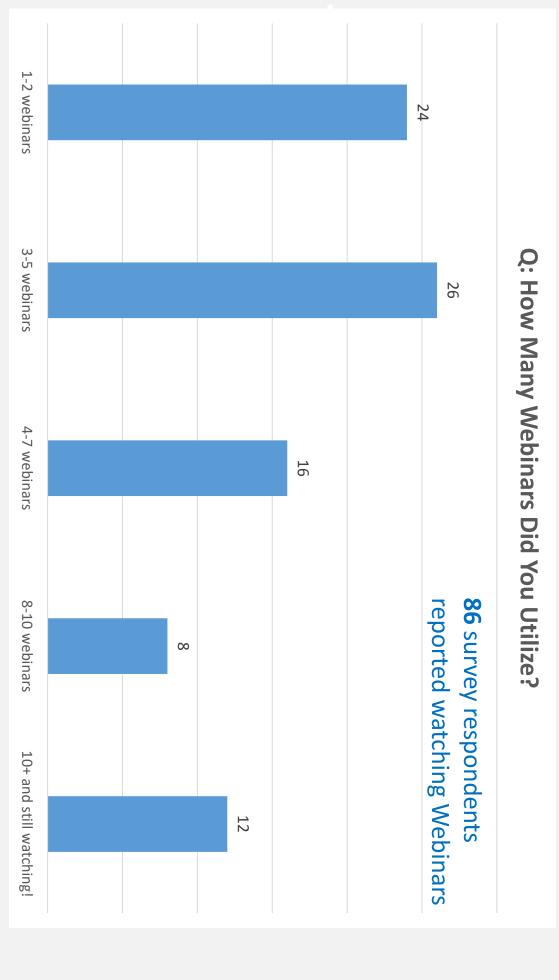
- Restaurants 24
- Education/Childcare 14
- Professional and Technical Services 12
- Personal Care Services 8
- Healthcare 8
- Retail (Non-Grocery) 7
- Retail 5
- Construction/Development 5
- Entertainment/Recreation 5







Economic Development February 22, 2021 Attachment 1 Page 9 of 27 Small Business TAP Utilization TAP Utilization





Economic Development February 22, 2021

Attachment 1 Page 10 of 27 Urvey: Small Business TAP Clients



30%

25%

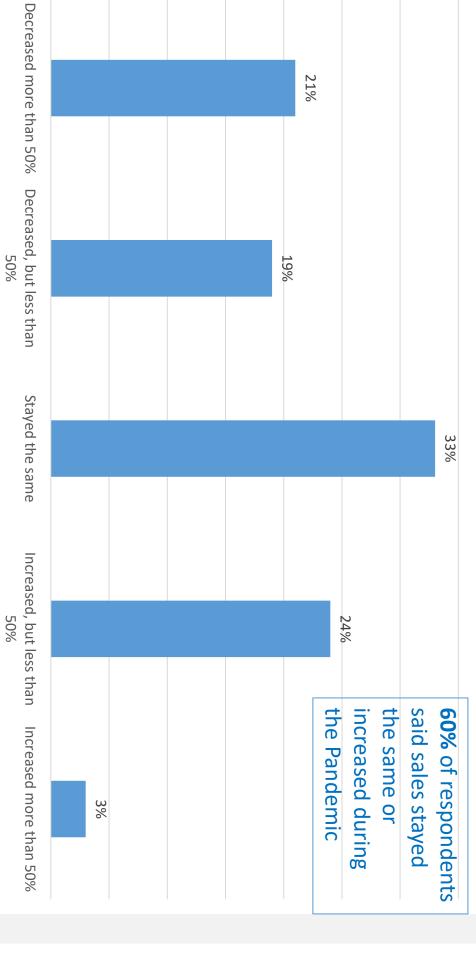
20%

10%

0%

5%

15%



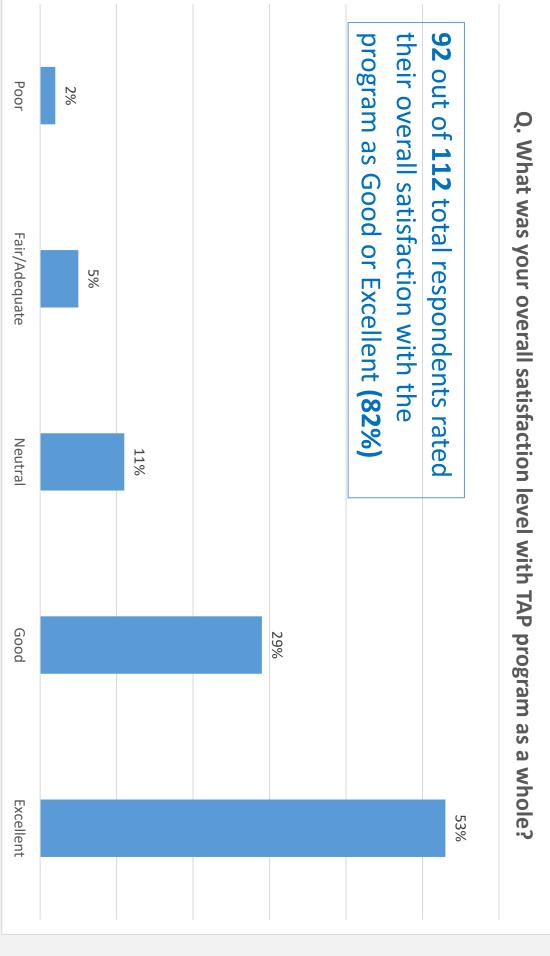






Economic Development February 22, 2021 Attachment 1 Page 11 of 27

Attachment 1 Page 11 of 27 Urvey: Small Business TAP Clients



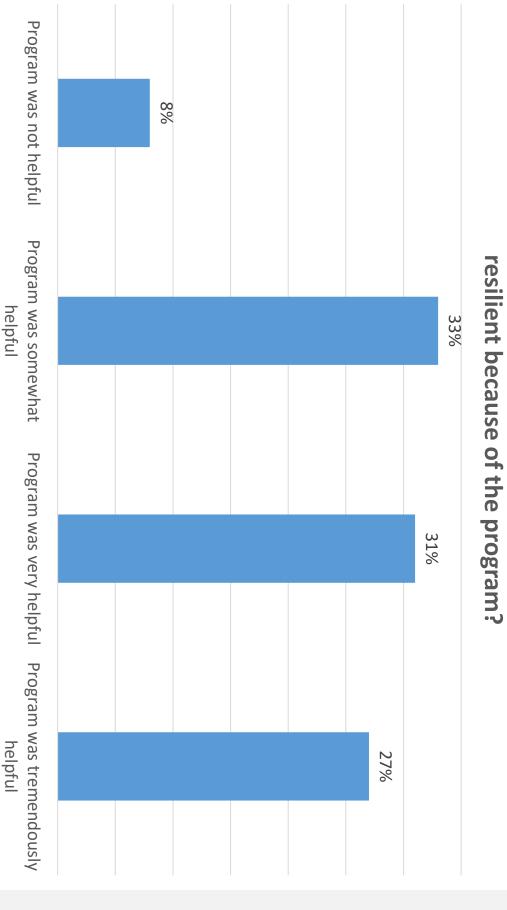




Economic Development February 22, 2021 Attachment 1 Page 12 of 27

Page 12 of 27 Small Business TAP Clients





"Mesa CARES TAP was instrumental in helping me build a more resilient and successful business. It gave me the skills and confidence to go forward in these challenging times."

-Survey Respondent



Attachment 1 Page 13 of 27 mall Business TAP Highlights

"With the economy struggling and other businesses shutting down, I was able to rebrand and stand on my own despite the pandemic.

I was still able to maintain my patient base and patient services and keep my employee.

I now have a professional website that I can attract the confidence to market myself in a different more clients and grow my business as well as way this coming year."

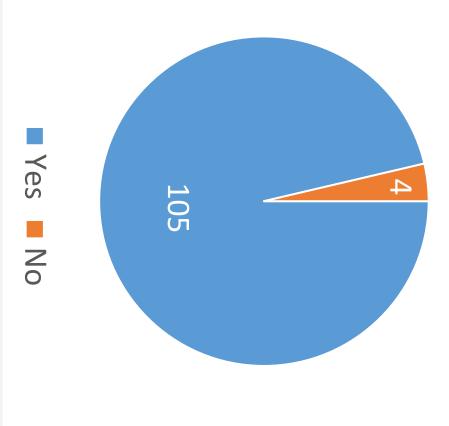
Survey Respondent





Attachment 1 Page 14 of 27 Urvey: Small Business TAP Clients

Q: Do you plan to continue connecting with the City of Mesa for small business assistance resources and services?



"Thank you for your help, it was a great program."

"The City is a lifeline to all businesses."

-Survey Respondents



ity of Mesa Small Business Assistance Existing online services, resources, cooperative marketing

Mesa Business Resource Guide

and financial assistance, workspace, workshops, events

- Mesa HUUB Digital Platform
- Size Up Mesa Market Analysis Tool
- Site Search Mesa
- Mesa Business Connection
- Business Export Assistance Program

- Downtown Small Bus. Attraction Utility Rate
- LaunchPoint
- Think Spot
- PHX East Valley E-Week
- Mesa Al Fresco and Mesa Open Air
- Partnerships with Providers

NEW in 2021

- Package, brand, and market our existing programs!
- Discuss the future of Mesa's Technical Assistance Program





Moving forward:

Your small business toolbox.

- Launched Mesa Business Builder and the new website MesaBusinessBuilder.com
- services, and tools Generate awareness about the EXISTING programs.
- Re-imagine how we utilize the Mesa HUUB digital platform created through Mesa CARES funding now and beyond



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YOUR SMALL BUSINESS TOOLBOX.

Welcome to Mesa Business Builder. Here you will find the resources to support your plans to start or grow your business in Mesa, Arizona. If you need additional assistance, please feel free to contact us via email at kelley.keffer@mesaaz.gov. We are here to help

2. BUSINESS ASSOCIATIONS/COUNSELING AGENCIES







Mesa HUUB Small Business Community Platform

- Bilingual online platform w/ 70+ webinars (multilingual) on many topics, ongoing resource
- On-demand, immersive, personalized learning
- Networking and communications tool
- Scheduling options for tech assist
- Offers "real-time" data analytics

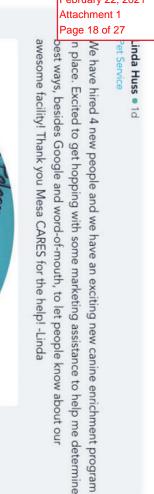


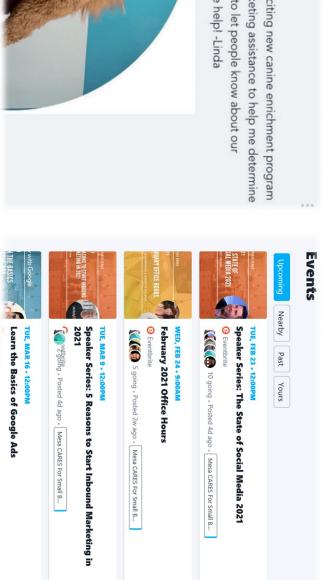












Community Engagement on Mesa HUUB

- Weekly posting and engagement (reminding ppl things are available, tagging people, encouraging engagement)
- Monthly surveying (impact report)
- Regular polling (weekly on a variety of topics and questions with real time feedback), City input



BUSINESS

What stays and what could we add?

- Mesa's existing tools and services
- Mesa HUUB Community Platform w/ Community Engagement
- Webinars existing and new
- Technical assistance counseling and professional services
- Technical assistance scheduling and management tool
- Specialized classes



Existing Webinar Categories: Playing NOW on Mesa's HUUB

- Marketing (digital media advertising, social media, SEO, e-commerce, public relations/storytelling, brand development, using data to make decisions, and more)
- **Bridging the Digital Divide** website consulting and development, Computer Literacy classes, understanding Google analytics and how to get noticed online!
- Finance & Business Ops Planning tax/accounting workshops, tips for maximizing training, and more your bottom line, understanding financial statements, debt restructuring, Quick Books
- organizational structure LLC, S-Corp, or Inc, and more **Legal services** – contract & lease agreement reviews, PPP advisory services,
- **Restaurant Specialty Services** menu evaluation/profitability, online menu, ecommerce, local sourcing, and more.







Consider Mesa's NEW Technical Assistance Program

New Webinar Development -10 / year

- In collaboration with various City Departments, develop on-demand mini-tutorials/courses (i.e. Permitting/Zoning. Liquor license, Signage, Procurement, Certifications, etc.).
- policy changes, and more New content regarding marketing trends, new tax rules.





Consider Mesa's NEW Technical Assistance Program

Technical Assistance Hours and Management Tool

- General Business, and more Marketing, Website Dev, Social/New Media, Financial Asst., Allocations of Hours of Technical Assistance - counseling for
- Partner integration Streamlined case management (eliminates need for case managers + reporting on webinar activity)
- Digital TA management page, on-demand booking, tracking & management system, live chat customer support, activity reports
- Data analytics (demographics, platform, impact)



BUSINESS BUILDER

Consider Mesa's NEW Technical Assistance Program

Specialty Programs

- Restaurant Survival Series
- Al Fresco Patio Reimbursement Program
- Computer/Mobile Literacy















NEW Technical Assistance Program mission:

resiliency to ensure sustainability and economic prosperity. business competency, increasing competitiveness, and promoting Provide assistance to Mesa small businesses with the goal of building

Target Markets

- "Micro-sized" category, less than five employees, mom & pops, professional & medical service providers, etc
- adapt operations/marketing, and become more competitive Businesses with less than 25 employees needing to modernize.



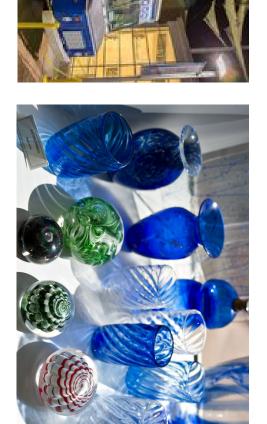




Delivering services, executing the program

- City of Mesa Office of Economic Development manages program and contracts with select partners with the capability and capacity to perform high-value, high-quality small business support
- RFP to select key vendors to deliver services (annual bank of hours)
- Mesa HUUB would continue as program platform
- Formal application, vetting, and "contracts" for technical assistance granted to Mesa businesses by City of Mesa



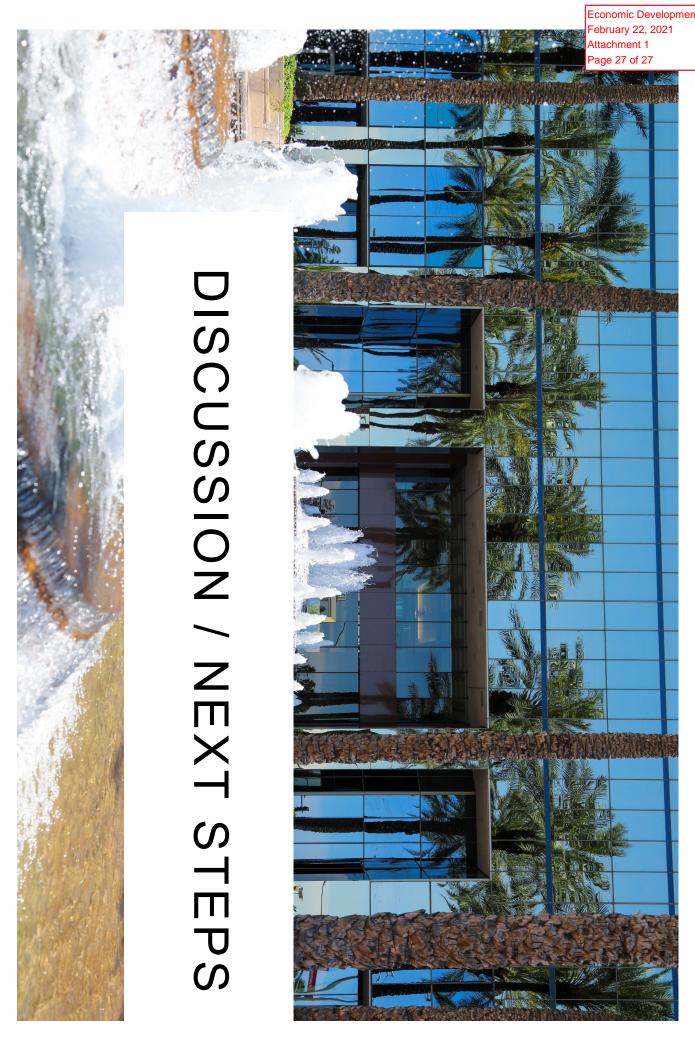


Outcomes / Deliverables

- Continued partnership with non-profit agencies and consultants
- support needed Number of businesses assisted depends on budget and type of
- Minimum of 100+ "new" clients each year, plus 250+ existing businesses already on the platform
- Data collection and reporting to include sales/revenues, number of knowledge of business practices employees pre/post program, confidence level and improved









Development Services

Small Business Assistance through Projec Coordination Presentation

By Heather Omta on 2.22.2021 <u>SMBZ@MesaAZ.gov</u> (480) 644-5600



Small Business Assistance

- Council identified a need
- Approved a designated job position
- Assist in navigating approval process
- Responsive to unique needs

Single point of contact





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efficiency Increased

Faster response Positive result



Knowledgeable

Interdepartmenta

Quick follow-up

Reliable follow-

through

Local associations

Agency referral

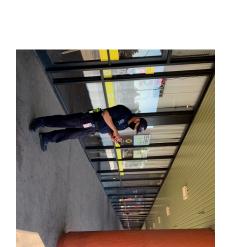
Communication Time-saving Accessible Open



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Programs

Patio extensions

Testing sites

\$26,300 back into the community

No fee permits extensions

Unrestricted temp signage

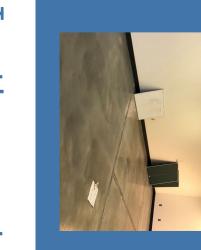
In the Field

Safety Inspections

Site Visits

Collaborating with Fire & local businesses

Answer questions



Tenant Improvements

Assist with permit requirements

Basic zoning questions Assist with submittals



Certificate of Occupancy

Streamlined approval process Address coordination Plans made easy

- Economic Develop February 22, 2021 Attachment 2 Page 5 of 8
- New DS SBA website
- Social media / newsletters
- Referrals & word of mouth
- On-site visits
- Educate & inform
- Association & organization cross-connection



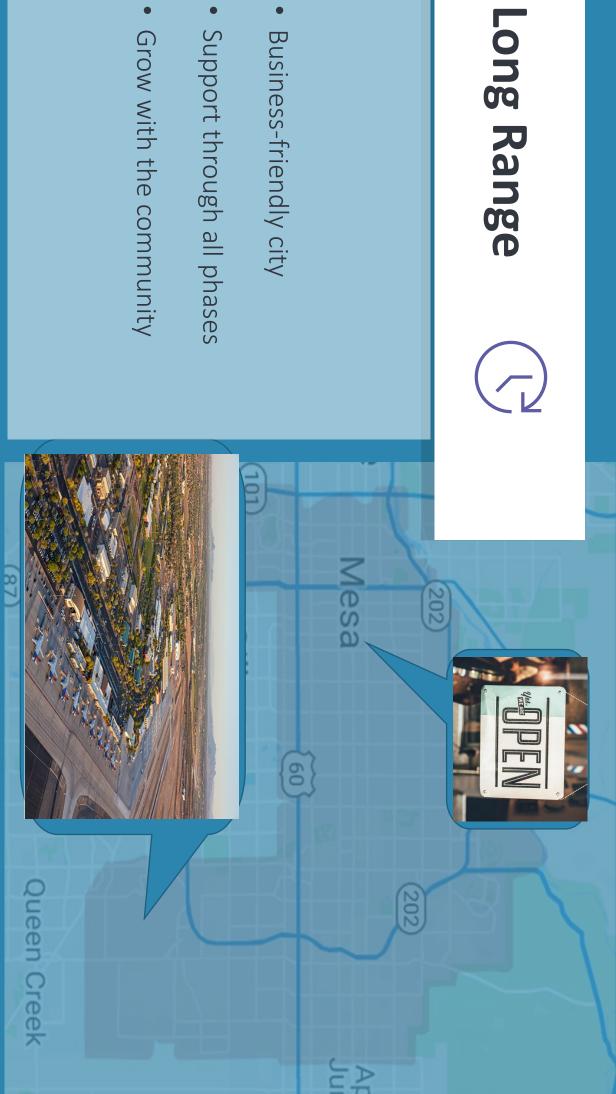


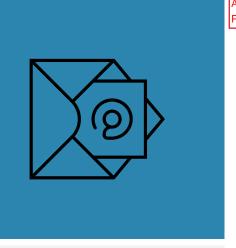


Long Range

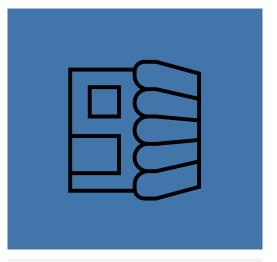
Business-friendly city

Support through all phases

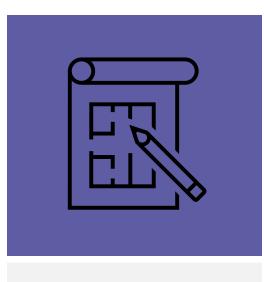




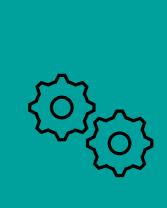
from local businesses since November 2020 Responded to 1,000 inquiries



approved since June 2020 58 Certificate of Occupancy's



2 COVID testing sites 58 approved temporary patios 70+ site visits



Website Permit outline Resource guide

Economic Development February 22, 2021 Attachment 2 Page 8 of 8

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