

SMALL BUSINESS IMPACT GRANT REPORT

NOVEMBER 2020

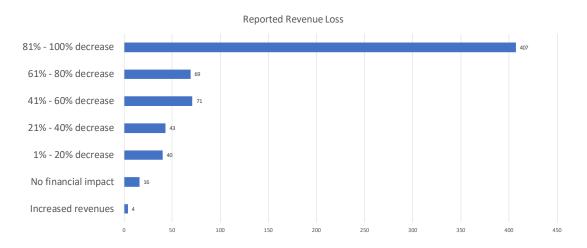
THE BEGINNING OF THE PANDEMIC

During the early stages of response to COVID-19 spread in Utah, Salt Lake County worked to establish and gather economic indicators and obtain a snapshot of how various business industries were being impacted economically by the public health emergency.

Salt Lake County Economic Development deployed a cursory survey of small business owners following the Small Business Administration's deployment of the Economic Impact Disaster Loan (EIDL) and Paycheck Protection Program (PPP), as well as the State of Utah's Commercial Rental Assistance Program (ComRent), to grasp needs and gaps from these initial services.

SURVEY OF SLCO BUSINESS OWNERS

A survey created by SLCo Economic Development was emailed to 3,200 businesses and received 741 responses. Types of businesses with the highest responses were Food Service Establishments, Cosmetologists and Salons, Other, Massage Therapy, and Tattoo and Piercing Studios.





THE MAY 2020 SLCO SURVEY FOUND:

96.9% reported some level of revenue lost

Those with the highest revenue reduction were also among the lower percentages receiving funding from the PPP

In the EIDL Program, the highest percentage of those to apply and receive funding were those with revenue losses between 1-60% -- not small businesses that saw 61-100% revenue reductions



Mayor Jenny Wilson announces Salt Lake County's Small Business Impact Grant program to diverse business owners in Taylorsville on June 11, 2020.

SLCO COVID-19 SMALL BUSINESS IMPACT GRANT

The Small Business Impact Grant was created through CARES Act funds received by Salt Lake County, with planning and organizational structure put in place in May 2020. "With these funds we have a deep commitment to help a multitude of small businesses in Salt Lake County," Mayor Jenny Wilson said.

Small businesses in industries directly impacted by the COVID-19 public health orders and subsequent closures in Salt Lake County were eligible for up to \$35,000. Eligibility requirements included:

- Employ fewer than 100 employees
- Not have already received federal, state or local COVID-19 financial aid
- Provide documents verifying financial loss
- Have operated prior to Jan. 1, 2020

ROUND 1 STATS

APPLICATIONS OPEN

June 16 - July 27, 2020

1,394 Pre-Screenings

312 Submitted Applications

208 Businesses Helped

\$3.46M in Grants Given

\$16.7K Average Grant Amount

21 out SLCo Municipalities & Unincorporated

of 23 Represented by Grant Recipients

Round 1 Funded Grants by Industry

| Industry | Applications (#) | Grant requests (\$35,000 Cap) | Approved (#) | Approved (\$) |
|--|------------------|-------------------------------|--------------|---------------|
| Arts and entertainment (examples: event center, theater, gallery, museum) | 55 | \$1,066,123 | 37 | \$668,371 |
| Fitness (examples: gym, commercial swimming pool, yoga studio) | 23 | \$286,537 | 18 | \$187,240 |
| Food service (examples: restaurant, caterer, food truck) | 67 | \$1,478,844 | 47 | \$1,092,267 |
| Health and wellness (examples: treatment facility, massage therapy, spa, medical spa) | 46 | \$628,172 | 33 | \$379,534 |
| Independent artist or performer | 20 | \$370,059 | 10 | \$198,614 |
| Recreation & Tourism (examples: tour companies, meeting planners, recreation equipment rental, accommodations) | 28 | \$667,035 | 14 | \$322,890 |
| Salon, cosmetologist, or esthetician (examples: hair salon, barbershop, nail salon, makeup/lashes) | 67 | \$851,450 | 45 | \$526,609 |
| Tattoo or piercing studio | 6 | \$111,714 | 4 | \$88,567 |
| Total | 312 | \$5,459,934 | 208 | \$3,464,092 |

Eligibility Criteria & Data from Round 1

SBIG Program tracked applicants starting with a pre-screening form and how many were ineligible and why, which informed criteria for SBIG Round 2.

of Ineligible Businesses

334 in Another Industry 329 Receive

329 Received Other Funding

37 Not Licensed Before Jan. 1

36 Not Located in SLCo

24 Could Not Prove Loss

1 More Than 100 Employees



(Above) Regional Development Director Dina Blaes speaks with a reporter on July 28, 2020 after a press conference announcing Round 2 of the Small Business Impact Grant program at the Government Center. (Right) Mayor Jenny Wilson speaks to media about funding business recovery on July 28, 2020.

ROUND 2

Following six weeks of open applications, the SBIG Program Team evaluated eligibility criteria trends from Round 1, as well as other local data, and determined an expanded eligibility criteria to be released as "Round 2." including:

 All business industries and types, impacted by COVID-19 were eligible



 Businesses could apply if they received state or federal COVID-19 assistance funded by the CARES Act if it totaled less than \$35,000

APPLICATIONS OPEN

July 28 - Sept. 27, 2020

TOTAL APPROVED GRANTS BY MUNICIPALITY

| GEO MUNICIPALITY | # OF APPS | A D D D O V / E D & |
|-------------------------------------|--------------|---------------------|
| Alta Town | 3 | \$42,047 |
| Bluffdale | 7 | \$166,084 |
| Cottonwood Heights | 43 | \$867,059 |
| Draper | 37 | \$732,300 |
| Emigration Canyon Metro Township | 1 | \$13,047 |
| Herriman | 9 | \$126,356 |
| Holladay | 35 | \$437,418 |
| Kearns Metro Township | | \$160,560 |
| Magna Metro Township | | \$220,026 |
| Midvale | 22 | \$483,975 |
| Millcreek | 94 | \$1,380,366 |

| | # OF | | |
|---------------------------|------|-------------|--|
| GEO MUNICIPALITY | APPS | APPROVED \$ | |
| Murray | 51 | \$1,007,048 | |
| Riverton | 17 | \$307,903 | |
| Salt Lake City | 282 | \$5,570,135 | |
| Sandy | 79 | \$1,357,651 | |
| South Jordan | 36 | \$650,780 | |
| South Salt Lake | 40 | \$772,981 | |
| Taylorsville | 34 | \$601,534 | |
| Town of Brighton | 1 | \$11,829 | |
| Unincorporated | 8 | \$137,311 | |
| West Jordan | 58 | \$806,181 | |
| West Valley City | 48 | \$886,141 | |
| White City Metro Township | 8 | \$87,603 | |

ROUND 2

Top 5 Industries by Application #s

- 1. Other Services (231)
- 2. Arts, Entertainment, Recreation (97)
- 3. Accommodation & Food Services (96)
- 4. Health Care & Social Assistance (61)
- Professional, Scientific, & Technical Services (54)

Top 5 Industries by \$ Granted

- 1. Other Services (\$4.02 Million)
- 2. Accommodation & Food Services (\$2.17 Million)
- 3. Arts, Entertainment, Recreation (\$1.75 Million)
- 4. Retail Trade (\$1.21 Million)
- Professional, Scientific, & Technical Services (\$905,542)

GRANT REPORTING

All Grantees are required to report grant spending by Nov. 30, 2020 via a Smartsheet form at slco.org/reportsbig.

This process allows SLCo to follow CARES Act guidance and has dedicated SBIG team members to manage the process.

To ensure grantees maximize qualified expenditures and grant reporting, the Hotline/Triage Team will:

- Make 1-on-1 calls to business owners 3 weeks before deadline
- Follow up with businesses struggling to understand qualified expenditures
- Manage incoming questions through the Hotline

TOTAL PROGRAM STATS

3,985

Pre-Screenings

1,314

Submitted Applications

940

Businesses Helped

\$16.83M

in Grants Given

\$17.93K

Average Grant Amount

23 out of 23

SLCo Municipalities & Unincorporated Represented by Grant Recipients

Online

19,950 Visits

647 Downloads of Translated FAQs

170 Regional Development Social Media Posts

Business Hotline

3,940 # of calls taken

6 # of languages

60 hours open to callers each week, from 8 a.m.-8 p.m. Monday-Friday

Outreach

16 Email Campaigns

9+ Webinars

News Media Coverage

Diverse Communities

115+ Pieces of Social Media Collateral

1 Postcard

23 weekly emailed updates to municipalities

SMALL BUSINESS IMPACT GRANT

SBIG application link and FAQ for Round 1 & 2 was featured on the slco.org homepage, as well as at slco.org/covidgrants/.



more info: slco.org/covid-19/economy

The Business Relief Hotline, started in March 2020 in response to COVID-19, was adapted to take incoming questions about the Small Business Impact Grant, as well as conduct outgoing calls to inquire about incomplete pieces of business's applications and troubleshoot documentation.

Salt Lake County's

SMALL BUSINESS
IMPACT GRANT
APPLY BEGINNING JUNE 16
slco.org/covidgrants/
For small businesses, like yours, directly and financially impacted by COVID-19 county public health orders

Coinciding with the public announcement of the SBIG Program, a print postcard was mailed to nearly 7,000 businesses impacted by COVID-19 closures on record with the health department.

SLCo tracked 1,860 businesses connecting with information from this outreach.

SLCo Business Support Staff



Program Developers

Live Support

Application Reviewers

Consisting of redeployed SLCo staff across multiple offices, from directors to employees with expertise in grant applications and technical software and data.

Built on SLCo's ZoomGrants experience

Created new ways to track data in grant programs and provide analysis SLCo hired Hope Corps students from the University of Utah David Eccles Business School, who were left without internships or job positions due to the pandemic.

They staffed the Hotline, and applicants frequently reached out in thanks to their triage team member personally.

Only live COVID-19 customer support hotline in Utah, staffed in various languages A team of reviewers were required to evaluate each of the 1,000+ applications submitted by local businesses.

Every application had to be reviewed at least 1x by staff, who regularly worked with businesses to address gaps

Created channels to quickly address new process questions

In all, the SBIG Program required more than **55** staff to create the program and application by June 2020; provide application support June through November; review every application submitted; create and provide data assessment, project management, communications, fund disbursement; and track grant reporting per CARES Act.

Here are just a few faces of the SLCo business support team.



Teresa Young, Professional Services Coordinator SBIG Project Manager



Dina Blaes, Regional Development Director SBIG Program Director



Saskia DeVries, Performance & Innovation Specialist SBIG Data Guru



Scott Butters, Assoc. Div. Director Admin Services, Arts & Culture SBIG App Review Manager



Archita Sheshaiah, SBIG Review Manager



Violeta Hernandez, <u>SBIG Live Support</u> <u>Supervisor</u>



Ryan Noyce, Associate Accounting Administrator SBIG Payments



Kirsten Darrington
ZAP Program Director
SBIG Post-Decision Team
Manager



Andrea Cazares Rosas, SBIG Live Support Supervisor



Jenn Waterhouse, ZAP Grants Program Coordinator SBIG App Development



Jessica Liebrecht, Arts & Culture Marketing Manager

SBIG Comms Support



Ruedi Matthes, Economic Development Manager SBIG Live Support Manager

SMALL BUSINESSES ARE OUR LIFEBLOOD.

THESE ARE THEIR STORIES.

"I'm
hopeful we
can come
together
and create
a stronger
community
and a
stronger
world."





MUDITA YOGA & WELLNESS

Mudita Yoga's New Studio in Holladay Brings Joy & Peace During COVID-19

Mudita Be Joy Yoga Studio was set to hold a grand opening at a newer and larger location in Holladay on April 1, 2020. The space was designed specifically for growing the yoga studio into a wellness center, with the goal of also providing massage therapy, community nutrition, trauma-informed yoga and healing, and therapy.

Unfortunately, COVID-19 spread in March, delaying the Studio's anticipated opening, as well as its ability to increase revenue.

Owner Carrie Coppola moved to open virtually instead. Instructors taught from home via Zoom. The change even allowed former customers, who now

resided out of the area, to join for daily classes.

"It was a big leap," she said. "There hasn't been a moment that I wish we would've stayed [in our old space]. I don't know if we'll make it, but I'm showing up every day to keep the business going."

Carrie applied for the Small Business Impact Grant during Round 1, and the grant provided the business with much-needed funds to help it remain open.

"We are all connected, and the pandemic shows this. Your actions affect so much outside your realm, you can't even imagine. I'm hopeful we can come together and create a stronger community and a stronger world."

ROUND 1



"This grant is helping me survive. It was perfect timing."

— David Chon, Owner of Nohm



NOHM

New Asian Gastropub Nohm strives to settle into its niche in Salt Lake dining during COVID-19

Nohm officially opened its doors to customers off 900 South and a block from West Temple several months before Utah even thought about COVID-19.

The owner and Salt Lake City resident, David Chon, worked at numerous restaurants the past two decades, but wanted to bring a different take on Japanese or Korean cuisines.

After just a few months of operating, COVID-19 hit. It was horrible timing. The restaurant shifted and began offering a menu for curbside pickup. It found support from its neighborhood and the Salt Lake community, but come summer, it wasn't enough to survive the pandemic. Nohm's capacity went from 50 to 20, and 11 staff to three.

Chon said the restaurant struggled to get any substantial federal aid the first four months of COVID-19, due to how young the operation was and felt like his applications went to the bottom of the pile. He then heard about the Small Business Impact Grant from his landlord and applied. Nohm received \$35,000 with the help of Michael Herman, a SBIG specialist and David Eccles School of Business Hope Corps student working for Salt Lake County.

"This grant is helping me survive," Chon said. "It was perfect timing."

He still hopes a livelier market is on the horizon.

"A lot of bars and restaurants worry about health spikes and some still are hesitant to open their door to the public," Chon said. "At the same time, for a restaurant like ours, we do not have a choice but to be open, hoping that we could, at least, pay the monthly bills and survive until things get better. I do feel, however, a lot more hopeful nowadays knowing that we have a very supportive local community and this grant would allow us to try different ways to bring in more guests to our restaurant."

H4 DESIGN & CONSTRUCTION

For Sandy resident Eduardo Hernandez, architecture and design is a family business. COVID-19 Hasn't Changed That.

Eduardo Hernandez operates H4 Design & Construction – a company offering services from architectural and engineering design to various aspects of construction. It's a set of skills running through the blood of the Hernandez family.

His oldest daughter Rebeca is studying civil engineering, while his son and other daughter are also studying to become architects Once they graduate, they will work alongside each other and eventually take over H4.

In 2020, H4 had to change its approach. Previously, the business was invested in designing and constructing restaurants. The food service industry is within the top 3 industries most significantly impacted in Salt Lake County, according to 2020 taxable sales decreases reported.

Hernandez lost two major buffet-style restaurant accounts after COVID-19 forced the restaurants to cancel their plans. It significantly changed the business' schedule.



"I had a lot of clients in the restaurant sector. Since May-June, we decided to move from that sector, so we are mostly into residential and commercial projects; like apartment complexes, condos and commercial clients not in the restaurant industry."

To help H4 in adapting its focus, the family business applied for Round 2 of the Small Business Impact Grant on August 11. He was approved and received funds by August 26.

"We're glad to receive it. It helps a lot right now because [the grant] helps to keep the business running. It gives us the chance to move from point A to B, to survive. We will survive with this."

"[The Grant] helps to keep the business running. It gives us the chance to move from point A to B, to survive. We will survive with this."

— Eduardo Hernandez, Owner of H4 Design

LIBERTY PARK RIDES & CONCESSIONS



Owner of Rides, Concessions at Liberty Park Hopeful to Remain After COVID-19

Utah has many hidden and beloved gems.

One of those is the Rides and Concessions at Liberty Park in Salt Lake City.

Liberty Park was created and opened in the 1880s, the decade before the first Ferris Wheel was invented and showcased at the World's Fair. It is among the oldest and most popular parks in the state.

Liberty Park has held many attractions in its 100-year history.

The Ferris Wheel.

A carousel.

Boats – rowboats, a riverboat,

now paddle boats.

And a whole lot of joy.

While ownership of the rides varied over the decades, Craig Silverstein has owned and operated the business for the past nine years.

"You don't see these parks anymore," Craig said.

In normal years, staff dust off and set up rides in early spring and operate on weekends until schools let out for the summer. Then, it operates fully through the last weekend of September with 40–45 part-time staff (usually high school teens) until it gets packed up for the "The grant is great.
... It's a lifeline, without it we might have even closed."

Craig Silverstein, Owner of Liberty Park Rides & Concessions

winter again.

In 2020, that wasn't the case. While staff began setting up rides in February 2020, restrictions of the COVID-19 pandemic in March stopped the operation in its tracks.

Rides and concessions didn't open until June, and even then, only on the weekends with increased precautions suggested by public health.

Craig saw a 70% decrease for in July 2020 compared to July 2019.

To sustain the operations through a part of the pandemic, Craig applied to the Small Business Impact Grant and received funds to mitigate the losses.

"The grant is great. ... It's a lifeline, without it we might have even closed," he said.



MID CITY SALON

COVID-19 Won't Close this

Downtown Salt Lake City Salon





Teresa Bowman, Owner of Mid City Salon

Mid City Salon, located at 46 Broadway, Salt Lake City, opened in 1997.

Since that time the full-service salon has served downtown workers, convention attendees, and walk-in tourists, as well as those experiencing homelessness by offering free services and jobs.

Its owner, Teresa Bowman, has been doing hair for 30 years, and it's genetic. Her mother, sisters, and daughter also do hair.

However, while normal business is typically thriving, COVID-19 has required the salon to decrease from 20 staff to six, now that Mid City has half as much business.

The Personal Services industry was particularly hard hit early on in the pandemic, but the salon is open and offers services with full safety precautions.

Mid City Salon was approved and received a Small Business Impact Grant from Salt Lake County to help pay rent



"If it wasn't for the grant, my head would be in the kitchen every day."

— Armando Lopez, Owner of Mimi's Munchies



MIMI'S MUNCHIES

Mimi's Munchies Pivots and Takes to Salt Lake County Roads Delivering

Mexican-American Snacks

Mimi's Munchies opened in late 2018 inside a Mexican restaurant in West Valley. Started by Armando Lopez, and his wife, it serves Hispanic desserts mashed with popular American candy – a trending concept in areas like Los Angeles.

One month after opening, Mimi's Munchies was profitable. In November 2019, it left the rented space in search of its very own retail location. In the process of trying to secure a brick-and-mortar location, COVID-19 happened. Lopez had to pivot his plan for the business.

"It ended up being a blessing in disguise since natural traffic isn't there now," Lopez said.

Instead, Mimi's Munchies found a temporary home in June 2020 with a virtual kitchen, operating the business off social media traffic (largely from Instagram). Customers order from the snack business online through its website or on third-party delivery service like DoorDash.

That same month, a loyal-customer-turned-friend told Lopez about Salt Lake County's Small Business Impact Grant, and he applied on June 16. After submitting his application and working with a grant program ambassador, he was notified his application was approved two weeks later and had the money by July.

Mimi's Munchies wasn't immune to the impacts of COVID-19, but Lopez was committed to not cutting any of his six employees and got by in the short-term with reducing staff hours.

"The grant gave us breathing room," Lopez said. "It was a cool experience and allows us to keep the lights on and give some work to our employees. ... If it wasn't for the grant, my head would be in the kitchen every day."

The goal to get a food truck will leverage the business' social media following and allow it to be more accessible to customers in West Valley City and Taylorsville. From there, Lopez dreams of getting a second truck to serve part of Salt Lake City.

ASANA NATURAL ARTS

With Shows Canceled, Sandy Butterfly Artists Evolve Business During COVID-19

Did you know the average butterfly lives less than two weeks?

At least 33 different kinds are found in the state of Utah alone.

Among many of us fascinated with butterflies is Sandy resident and small business owner Zell Schaal. She visited a butterfly preservation farm while traveling in 2010, and it left a lasting impression.

Zell learned about butterfly farming, its positive benefits, and obtained a license to be able to import naturally deceased butterflies from hundreds of preservation farms all over the world and turn them into art and jewelry.

"Asana is a handmade business," Zell said. "A lot of attention and energy goes into this. I love nature, I love the mountains; I'm from Utah. I want to connect people to nature with butterfly art."

COVID-19 strained two of Asana's three revenue sources: live festivals and wholesale inventory sold to retail gift shops. To adapt to the pandemic's impacts, they launched a new Asana Natural Arts website and are creating their own appointment-based retail space.

"When you realize how much money you've lost, it's hard to look at the numbers," she said.

In order to adjust the business, Zell applied for Salt Lake County's Small Business Impact Grant in both Round 1 and 2 and was approved, with a little help after calling the Hotline to answer some questions.

"The grant was awesome. I needed it to transition. I hope what I do works, and my online orders are up.



"[Online] better be a part of their plan; it's the future. It needs to be an integral part"

— Zell Schaal, Owner of Asana Natural Arts

We're building on our online presence in anticipation of a strong holiday season."

When it comes to what might aid fellow small businesses like Asana Natural Arts, Zell thinks it's imperative businesses get help with establishing online storefronts if they don't already have one.

"It better be a part of their plan; it's the future. It needs to be an integral part."

ADDITIONAL OPPORTUNITIES

Through SBIG Application questions, Salt Lake County COVID-19 response staff gathered data and insights on needs and opportunities beyond the singular grant.



SURVEY SAYS ...

Of the 1,314 business owners that submitted SBIG applications, 751 indicated they would be interested in professional training in addition to receiving grant funding — or 57% of all applicants.



BUSINESS TRAINING

SLCo COVID-19 SBIG and Economic Response staff are working to:

- Research all available trainings, from topics like accounting to creating a website;
- Develop a singular source of trainings and resources for small business owners in the area to use that maximizes partners' offerings
- Conduct outreach to individual grant recipients with targeted resources to ensure their long-term success; and
- Provide tailored training suggestions to small businesses inquiring through the Business Relief Hotline.



BENEFITS & CONCERNS

When the 900+ grantees report grant spending, they also share specific responses like how the grant impacted their business, and specific concerns they have looking forward. This unique, local data set will be analyzed following the Nov. 30 reporting deadline.