

06-23-2021 Town Council Meeting Responses to Council Questions

ITEM #15: Consider Funding the ReVive Recovery Plan with Dollars from the American Rescue Plan

Council Question:

What metrics would be used in targeting an impact of minority and women owned business as a component of the venture fund?

Staff Response:

We will track the number of women owned and minority businesses as a percentage of the grant pools and as a percentage of the overall grants. We will reach out through the Chamber's Minority Business Council and other avenues to try to have maximum impact and applications requested from women and minorities.

Council Question:

The plan calls for up to \$25,000 for \$500 micro grants. Do we really believe \$500 will make a difference and that there are 50 companies that will want this amount? Similar question as above for entrepreneur grants. The individual amounts seem too small and the pool too large. Can we reallocate some of the funds from the above two grant classes to the Small Business Grants?

Council Question:

Most of Council seemed supportive of bumping the minimum business grant up from \$500. What is staff's reasoning for keeping the lowest grant amount at \$500?

Staff Response:

In talking to Carrboro and Orange County regarding past grants, there emerged a need for smaller grants that allow a business to later qualify for larger grants by meeting some of the minimum qualifications. This is also intended to be a pool of dollars to help test ideas for business creation, following the traditional micro-grant programming. We believe there is a need for the three pools of dollars and a variety of qualifications to meet the community business need. If a person receives a micro-grant and makes progress, they are eligible to apply for a second micro-grant or even graduate to an entrepreneur grant.

Because Chapel Hill has an interest in supporting locally owned businesses, it seems important to support ideas, early business ventures, as well as established businesses. Globally, micro grants have helped begin more locally owned businesses than even larger grants because it provides a steppingstone approach to business growth.

If we see months in the future that one program is the most successful, we could certainly shift dollars to further stand that program up.

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Council Question:

Overall, the incremental allocation to the Downtown Partnership seems to be less than they really need. Can any additional funds be provided?

Staff Response:

The allocation to the Downtown Partnership is based on a request from its Executive Director, Matt Gladdek, to Manager Jones. Based on communication with community partners, we feel the other requests are what we need for the dollars to see an impact from ReVive.

Council Question:

Are we going to require grant recipients to attend programming at Launch or another relevant community partner?

Staff Response:

Yes, the Entrepreneur and Small Business grants will have requirements associated with the grants. The micro-grants will have limited requirement as they are meant to encourage idea creation and growth as seen globally with the success of micro-grants. It is anticipated that the Minority Council will assist in reviewing the micro grants and Launch will play a role with the entrepreneur grants. We are targeting Launch past and current cohort participants to apply for both the micro and entrepreneur grants. We will also make sure that we reach out to a multitude of residents, especially minority, to make them aware of the micro grants.

Council Question:

It seems most, if not all, of the marketing funds would be used for digital advertising. Are there other marketing channels being considered for these funds?

Staff Response:

We have targeted a large portion of the marketing to digital marketing as it seems to be the most cost effective in reaching the markets we need to reach. We are meeting with Clean Design on June 23rd and they will put together a communication/marketing plan and guide for how we spend the money to meet the interests.

Council Question:

Will Opportunity Grants also specifically reference or include art?

Staff Response:

It is our desire to impact placemaking, art, women and minority businesses through these funds.

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Being a broad reach, we think we will see some impact in all of the areas in limited ways throughout the projects we seek to stand up.

Council Question:

For the workforce development funds, it says \$20k is being dedicated to researching the current need. However, on page 595, between the community partners listed, it seems the research has already been complete. Will that \$20k be spent on further research or to execute on the needs already identified by current research?

Staff Response:

Yes, we saw a need for a deeper dive on some of the findings from previous work.