

23rd Avenue Business Stabilization Fund

Frequently Asked Questions

Describe this program. Why is the City doing this?

In February 2016, the City created a \$650,000 Stabilization Fund as a response to two significant factors tied to SDOT's 23rd Avenue construction project:

- Unanticipated construction impacts resulting in extended road closures and detours that caused economic hardship for small businesses
- A high percentage of minority and low income owned microbusinesses located in the project area

Resources for the Fund came from a one-time federal Community Development Block Grant funds committed to a project that did not need the funds in 2016 and private fees generated by the City's federal New Markets Tax Credit program (administered by OED).

After Phase 1 disbursements, \$134,000 of funds remained and the Mayor's Office at the time directed OED to keep that in reserves for future disbursement to micro businesses directly impacted by Phase 2 construction. To be eligible for these funds the businesses must meet each of the following criteria:

- Have been established by May 1, 2018, as evidenced by a current City of Seattle business license and signed lease (if applicable) and
- Have direct access from 23rd Ave S between S Jackson St to the north and S Walker St to the south and
- Be a microbusiness of five (5) or fewer employees (including the owner(s)) and
- Be a for-profit, independent, non-franchise, retail/service business that relies on a walk-in or drive-in clientele as the predominant source of revenue and
- Serve a majority of customers who reside within the geographic boundary of S Jackson St (north), S Bayview St (south), 12th Ave S (west), and 31st Ave S (east), an area where the total residential population is predominantly low and moderate income

Business must apply and provide documentation demonstrating they meet the criteria.

Materials must be submitted to OED by 6/15/18, via email or in person to:

AJ Cari - Small Business Advocate, Office of Economic Development

aj.cari@seattle.gov

206.684.0133

City of Seattle's Office of Economic Development

700 5th Ave #5752

Seattle WA 98104

Upon receipt of the application and documentation, the City will review for eligibility and process the payments if the business meets the criteria. Once the remaining \$134,000 of stabilization fees have been depleted, there are no further fees available for disbursement.

How much can businesses expect to receive?

Between \$6,000 and \$7,000 depending on how many eligible businesses apply for the funds.

Who is eligible?

Eligible business must meet each of the following criteria:

- Have been established by May 1, 2018, as evidenced by a current City of Seattle business license and signed lease (if applicable) and
- Have direct access from 23rd Ave S between S Jackson St to the north and S Walker St to the south and
- Be a microbusiness of five (5) or fewer employees (including the owner(s)) and
- Be a for-profit, independent, non-franchise, retail/service business that relies on a walk-in or drive-in clientele as the predominant source of revenue and
- Serve a majority of customers who reside in an area where the total residential population is predominantly low and moderate income

How many businesses does the City think are eligible?

Approximately 18 businesses.

Why is the City giving money to businesses on 23rd Ave and not other places in the City?

Due to the high percentage of minority residents and minority-owned businesses in a neighborhood already strained by gentrification and private construction projects, the City decided to use these limited one-time fees for a stabilization fund for the micro businesses affected by Phase 1 and 2 construction of 23rd Ave. The funds would help stabilize these businesses, including several historically black-owned businesses as an effort to retain their presence in the neighborhood.

How long will construction last?

Construction will last approximately one year.

What help can the City provide to businesses that do not qualify?

In addition to the improved safety and upgraded infrastructure that will result from this project, the following resources beyond the stabilization funds are and have been dedicated to the Central Area/Judkins Park:

Construction related Investments and support:

- \$104,000 in grant funding through OED's Only in Seattle Initiative to staff the Collaborative and provide project funding including, direct technical assistance to the neighborhood businesses through local business service organizations.
- \$35,000 in grant funding through OED's Only in Seattle Initiative to provide an additional investment to the Collaborative for district marketing, including signage and wayfinding around construction zones. This funding round is currently active, and the final award will be determined by the end of April.
- \$60,000 in joint funding through OED and SDOT to support a full-time Community Navigator that will be on staff at the Central Area Collaborative. This staff position will serve as a critical link between the community and City of Seattle staff for this and other local construction projects.
- Sponsorship (monetary and in-kind) and staffing to support Umoja Fest 2018 through marketing, street activation and permitting. SDOT, OED and the Special Events Committee are organizing the support resources.
- Through Seattle's 1% for the Arts program, 1% of the eligible city capital improvement costs related to all phases of the 23rd Ave construction are set aside for the commission, purchase, and installation of artworks along the 23rd Ave corridor.
- DON's Community Liaisons for ongoing in-language translation and interpretation outreach

Additional City investments for the neighborhood and business community:

- OPCD - \$75,000 through the Equitable Development Initiative in support of the William Grose Center for capacity building for the organization
- OLS - \$164,050 to SBE Hub for outreach and engagement services and technical assistance regarding rules and regulations to businesses
- DON - \$70,000 to the Anniversary Committee of the Seattle Chapter of Black Panther party to celebrate the Party's 50th Anniversary this fall through outreach activities that share the challenges and successes of the organization.
- Recently adopted Central Area Neighborhood Design Guidelines, with investments totaling more than \$115,000; the work includes community outreach, development of the guidelines, and the implementation of the guidelines and a new design review board.

What has the City done to prepare for Phase 2 Construction?

Following the disbursement of funds for Phase 1, the following adjustments have been made in preparation for Phase 2:

- SDOT implemented several changes to lessen the impact of constructing Phase 2:
 - Shorter construction schedule of one year (compared to nearly two years of construction in Phase 1)
 - Coordination with King County Metro to maintain Route 4 service and minimize impacts to transit
 - Less overnight and weekend construction, including fewer intersection closures

- In partnership with FAS, Priority Hire requirements and goals were added to the contract for Phase 2. Residents from economically distressed zip codes (EDZ) are prioritized for dispatch for projects under the community workforce agreement. The 23rd Avenue project site is located within one of the 31 EDZs and will likely result in employment of residents, women, and people of color living near the construction project.
- Dedicated staging areas to minimize the visual clutter of construction material along the construction area
- Limited private Contractor parking near the project area, to improve business patronage parking availability
- The Mayor's Office directed OED to keep the remaining \$134,000 of funds as reserves for Phase 2.
- The Mayor's Office directed SDOT and OED to engage early with Phase 2 businesses to connect them to business consulting assistance. SDOT and OED have heard strong input from Phase 2 businesses that they desire financial support similar to Phase 1, rather than business consulting resources.