



## City of Kirkland

# COVID-19 Economic Development & Small Business Relief

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Kirkland businesses were among the first in the country to be impacted by COVID-19. The first reported death from COVID-19 in the United States occurred at EvergreenHealth in Kirkland on February 29, 2020. This tragic loss of life and the ensuing events at the Life Care Center thrust Kirkland into the national spotlight as the epicenter of COVID-19 in the United States. Within weeks, statewide Stay Home, Stay Healthy orders directed residents to stay home and restricted normal business operations.

Restrictions imposed by local, state and federal governments have presented severe economic hardship for businesses that depend on in-person customer experiences. Small businesses are particularly vulnerable -- the average small business has only enough cash in reserve to remain open for 27 days and many have suffered dramatic declines in revenue. **Since the beginning of the COVID-19 pandemic, the City of Kirkland has sought out and implemented meaningful, innovative ways to support Kirkland's small businesses, playing a leading role in providing nearly \$2 million in small business relief initiatives.**

More information is available at [www.kirklandwa.gov/BusinessSupportCOVID](http://www.kirklandwa.gov/BusinessSupportCOVID).

## Funding for Small Businesses

Understanding that cashflow is essential for the survival of small businesses, the City of Kirkland ensured Kirkland businesses had access to relief funds in the following ways:

### Distribution of CARES Act Funds

The City of Kirkland received Federal CARES Act funding administered by the Department of Commerce from the Coronavirus Relief Fund (CRF). Approximately 1/3 of CARES funding received by the City was allocated to Small Business relief. The City's relief fund application and informational materials were translated into Spanish, Chinese, and Russian.

- **\$1,035,000 Kirkland CARES Small Business Relief Fund.** The City distributed \$5,000 grants to 207 businesses and nonprofits in Kirkland.
- **\$318,741 Kirkland Arts Relief Fund.** This relief fund was launched to support non-profit Cultural Arts programs in Kirkland that experienced significant revenue loss due to the pandemic.

### Small Business Relief Grants

In the immediate aftermath of the onset of COVID-19, an interdepartmental team convened by the City Manager's Office helped design and promote in four languages a grant program for small businesses and nonprofits negatively impacted by COVID-19. In partnership with Banner Bank and the Greater Kirkland Chamber of Commerce, the three organizations created the Kirkland Small Business Relief Fund and later the Greater Kirkland Chamber of Commerce Relief Fund.

- **\$250,000 Kirkland Small Business Relief Fund.** \$1,000 grants to 250 small businesses in Kirkland, seeded by Google.org, Google's philanthropic entity.
- **\$211,000 Greater Kirkland Chamber of Commerce Relief Fund.** \$1,200 grants to 175 small businesses in Kirkland; included \$30,000 contribution from the City of Kirkland authorized by the City Council.

## Grant and Loan Support

Because many small businesses were struggling to navigate the complexities of federal and state loans and grants, the City of Kirkland worked with regional partners from Startup 425 to provide support. Under the name (re)STARTUP425, the cities of Kirkland, Bellevue, Redmond, Renton, and Issaquah, contracted with Business Impact NW, a local nonprofit community development financial institution, to provide free, one-on-one business support for businesses and nonprofits as they navigate relief funding options from the federal, state, and local sources. Available in multiple languages, this business response team has been the principle tactic of the (re)STARTUP425 effort in supporting businesses. To date, the Business Response Team has **received 518 inquiries** with (approximately 35 percent from Kirkland) and has helped secure a total of **73 loan packages**.

## Regulation Changes and Utility Payment Relief

The City of Kirkland activated policies to support Kirkland's small businesses such as changes to parking regulations, a moratorium on evictions, and payment deferrals and late fee waivers for utilities:

- To help Kirkland restaurants and retailers weather state restrictions on indoor use, the City of Kirkland prepared an **emergency directive to facilitate safe outdoor use of public and private space**.
- The City created an **in-car dining program** using the Shop Local Kirkland platform (described below).
- **Parking fees for parking in City-owned downtown parking lots were suspended** March-July 2020 and December 2020-March 2021.
- The City developed standards and applications for **streeteries and parklets in public parking stalls**, and outdoor uses of private parking stalls. Six streeteries and parklets were permitted.
- The City **waived \$15,785 in sidewalk café permit fees** for 17 outdoor dining arrangements
- Over the summer, the City **closed the west end of Park Lane** between Lake Street and Main Street to vehicles from 6 p.m. to 7a.m., seven days a week. For the winter months, Park Lane reopened to vehicles in the evenings and several **15-minute curbside pick-up areas** are provided to make it more convenient to pick up orders of food and goods. These new curbside pick-up areas are in addition to the eight take-out-only stalls already available throughout downtown Kirkland.
- From March 31 to August 10, 2020, the City placed a **temporary moratorium on small business and nonprofit evictions** through Resolution 5414.
- The City **deferred utility payments and waived late fees**. There has been a **300 percent increase** in 90-120 day deferrals compared to February 2020.

## Digital Transformation: ShopLocalKirkland.com

In order to take a longer view than stopgap funding, the City of Kirkland created a digital platform to connect Kirkland businesses with customers. The ShopLocalKirkland.com website and Shop Local Kirkland initiative endeavor to assist Kirkland businesses with recovery as well as help them take vital steps toward digital transformation so they can reach and transact with customers in the future.

ShopLocalKirkland.com was launched to the public on November 12, 2020. As of December 21, 2020, **441 businesses registered with 223 digital storefronts published**. Within the first month, there were **39,374 visitor hits** to the website and the platform generated **1,794 local business leads**.