One Buncombe, COVID-19 Rapid Relief Fund

Public Hearing
September 21, 2021
Request

Background:
• The One Buncombe program was launched in April 2020 to support individuals and small businesses impacted by COVID-19.
• At the August 31st meeting, the Buncombe County Board of Commissioners allocated $500,000 of American Rescue Plan Local Fiscal Recovery Funding towards the One Buncombe program.
• As an economic development appropriation, this allocation requires a notice and public hearing.

Request:
Board of Commissioners approval for the following:
• Resolution authorizing the $500,000 economic development appropriation into the One Buncombe program; and
• Authorization to the County Manager to contract with Mountain BizWorks to administer the program.
• In April 2020, the **Community banded together to create the One Buncombe Fund and raised more than $1.6M** for individuals and small businesses.

• **One Buncombe results:**
  
  • **Phase 1:** 1,200+ individuals with housing, utilities, and emergency assistance; 95 small business loans to support 600+ local jobs
  
  • **Phase 2:** 116 grants to local businesses to directly assist 406 living-wage jobs by supporting the retention of 253 employees and rehiring of 153 workers
  
  • **Equitable Support:** 62% to women-owned; 31% to people-of-color-owned; 75% to business with less than 5 employees
Continued Need

• 60% of small businesses are below pre-pandemic revenue levels and 25% of small businesses consider themselves to financially challenged*.

• Impacts are disproportionate among people of color-owned and rural-based businesses who are recovering to pre-pandemic levels at a slower pace (23% POC, 21% rural, 33% overall)*.

• Our smallest businesses report the most uncertainty as 24% of businesses with less than 5 employees feel financially challenged compared to 7% of businesses with 21-50 employees*.

• Businesses continue to deal with depleted cash reserves, increased debt, and the uncertainty associated with the pandemic.

Recovery by Segment

Percentage of businesses that have recovered to pre-pandemic revenue levels (by segment):

- All: 33%
- Urban: 35%
- Rural: 21%
- Woman-Owned: 32%
- Male-Owned: 33%
- People of Color: 23%
- White: 34%

Percentage of businesses that are "financially challenged" (by segment):

- All: 23%
- Urban: 21%
- Rural: 30%
- Woman-Owned: 21%
- Male-Owned: 25%
- People of Color: 52%
- White: 20%
Small Business Grants – Meeting Unmet Needs

• Eligibility:
  • Small businesses impacted by COVID-19 (less than 25 employees).
  • Ability to demonstrate retention or rehire of employees.
  • Ability to retain employees for 6 months from grant award.
  • No prior receipt of One Buncombe grant funds

• Focus Areas:
  • PPP-ineligible
  • People of Color-owned businesses
  • Woman-owned businesses
  • Sole Proprietorships

• Usage of Funds: business operations tied to retainage and rehire of employees at a living wage\(^1\).

• Model: Grants up to $5,000 (1+ employees retained) or $2,500 (1 employee retained)

• Administered by: Mountain BizWorks

Note: The Living Wage Rate for 2020 was $15.50/hour without qualifying employer provided health insurance, or $14.00/hour with employer provided health insurance.
How Do I learn More?

To Apply/Learn More:
www.mountainbizworks.org/1bf
Request

Board of Commissioners approval for the following:

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Next Steps

- Press and Community Outreach: begins now
- Application Launch: October 1
- Application Close: October 31
- Awardees Receive Funds: end of November
Appendix