Equitable Economic Recovery



Equitable Economic Recovery

King County structured its economic recovery funding to address several key areas: regional economic programs designed to foster economic recovery across the county through both direct and indirect support to businesses; specific investments in the creative economy and tourism sectors, which were particularly hard hit; businesses restart funding that focused on supporting business as they made adjustments to comply with public health requirements; and workforce development programs that provide job training and apprenticeship opportunities to workers, as well as providing employers with skilled workers for in-demand industries. These efforts are designed to dovetail into other local strategies, such as larger efforts to expand the local Creative Economy, expand behavioral and mental health services, and address long-standing disparities faced by many communities, such as communities of color or those in the unincorporated urban areas. King County Executive Dow Constantine has developed a robust strategy for economic recovery. <u>More information</u>, including how some of the grant programs described below fit with this larger strategy can be found on the Executive Office webpage.

Investment Areas



Figure 1: King County has identified five key areas for investment of CLFR dollars: Regional Economy, Creative Economy and Tourism, Workforce Development, Business Restart, and Youth Workforce.

- King County disbursed over \$3.5 million in federal relief dollars to small businesses in unincorporated areas. This investment provided a lifeline to 391 businesses to keep their doors open and pay for extra costs associated with the COVID-19 pandemic.
- Over \$30 million in federal relief dollars were infused into the Cultural Economy and Tourism sector. Through this investment King County helped put people back to work, attract tourism, create local economic growth opportunities, and revitalize the region.
- Over 200 Events and Festivals were put on by 185 organizations that received COVID relief funding.

Creative Economy and Tourism Grants

King County Council allocated over \$31 million in CLFR funding to support the local creative economy and tourism sectors. The funding was designed to support pandemic recovery in the cultural and tourism sectors, particularly for local artists and for arts, culture, heritage, and science organizations; independent live music venues and theaters; event and festival producers and organizations that provide facilities for after-school cultural programs.



Figure 2: Photo from the Music & Culture on the Eastrail partner event in Redmond, Washington.

The Creative Economy funding was divided between King County's Office of Performance, Strategy and Budget (PSB) Grants Team, which was set up to administer COVID relief grants, and 4Culture, the cultural funding agency for King County. Staff worked together to design complimentary programs with coordinated advertisement and messaging to the community. King County PSB, which administered \$19 million in funding, agreed to manage awards to cultural organizations with 2019 revenue over \$1 million in the grant program for arts, culture, heritage, and science organizations. 4Culture, which was awarded \$9.4 million, agreed to accept applications from cultural organizations with 2019 revenue under \$1 million, as well as individual cultural producers.¹

King County Council also allocated over \$1.8 million in support for local Events and Festivals, which are vital to both the local Creative Economy and tourism sectors. The purpose of this funding was to reestablish community events, engage tourists, and create jobs throughout the County.

The Creative Economy funding dovetailed with local initiatives designed to expand and develop the Creative Economy, one of King County Executive Dow Constantine's priorities. More information about King County's Creative Economy, and how investments in this sector fit into the county's larger recovery strategy, can be found at <u>King County Creative</u>.

Regional Economy

The Regional Economy portfolio includes five different programs that provide funding to both organizations designed to foster economic growth and direct grants to small businesses.

The Seattle Metropolitan Chamber of Commerce, which is the Associate Development Organization (ADO) for King County, was awarded \$1 million in funding. ADOs are the local economic development partners for the Washington State Department of Commerce², and provide resources to businesses and develop and coordinate regional strategies. These resources are being invested to support a collaborative, sub-regional business retention-expansion plan.

The Department of Local Services (DLS) is leading economic recovery and relief programs in unincorporated King County. The department received nearly \$10 million in funds. The first program to launch was the Small Business Grant program, which provided grants of up to \$25,000 for small businesses located in the unincorporate areas. The second program, which has \$5 million in funding, is an economic relief and recovery program designed to focus on accelerating recovery efforts in communities disproportionately impacted by the pandemic. This program is nearing final design and has been developed and scoped in close partnership with several community-based organizations. The strategies have been designed to work in tandem with other DLS economic development program and incorporate learning and feedback from earlier iterations of COVID-relief funding.

Workforce Development

Over \$14 million in CLFR funding has been allocated to workforce development. This includes funds to support priority hire, job training, and apprenticeship efforts. This program is still under development and is awaiting final scoping to confirm its final CLFR allocation.

The Behavioral Health Apprenticeship Pathways program provides \$4 million in funding to provide training and recruitment for behavioral health careers, with the goal of improving the accessibility to behavioral health services, enhancing retention, stabilizing the behavioral health workforce, and bringing necessary diversity to the delivery of behavioral health services. King County will partner with SEIU Healthcare 1199 to administer the funding to providers.

¹ 4Culture Staff Report, Recovery Fund Orgs, 3.25.2022

² More information at the ADO program can be found here: <u>http://www.commerce.wa.gov/wp-content/uploads/2017/03/Commerce-ADO-2016.pdf</u>

In addition, the <u>Workforce Development Council of King County</u>³ (WDC) has been awarded over \$3 million to support job training programs. King County Executive Dow Constantine serves as one of two Chief Local Elected Officials that advise the WDC, which strives to expand career pathways for adults and youth through demand-driven workforce and training programs. The Board of Directors recently set a new vision for our workforce development system to support an equity-centered and industry-driven approach. This vision centers racial justice and seeks to address other inequities that prevent economic opportunity and inclusion in our region.

Business Restart

Business Restart efforts have focused on helping businesses safely reopen after shutdowns due to COVID-19, and adapt business practices to the public health requirements necessary for controlling community spread. CLFR funding has provided nearly \$4 million for the Ventilation Technical Assistance Program and the Safe Start program to support the needs of local businesses. Additional guidance on improving indoor air quality for building operators and business owners can be found at kingcounty.gov/covid/air.

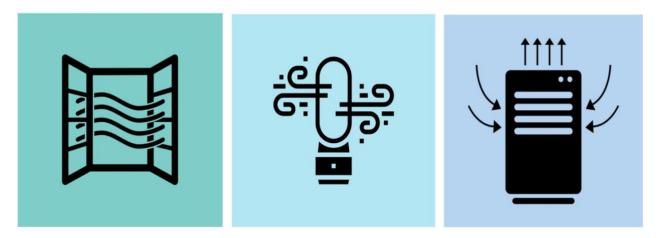


Figure 3: Strategies to reduce the risk of COVID-19 indoors include introduce more outdoor air to indoor spaces and removing pollutants and germs from indoor air by adding air filtration.

The County provides information and assistance, particularly with the following three recommended ventilation technologies: optimized Heating, Ventilation and Cooling (HVAC) units, portable High Efficiency Particulate Air (HEPA) air cleaners, and upper room UVGI disinfection.

Youth Workforce Development

King County has allocated \$1 million in funding for a youth workforce program that is designed to help youth that have been affected or are at-risk of gun violence. The program team has been working closely with the Workforce Pathways community work group that is part of the Regional Approach to Community Safety and Well Being task force to develop strategies for implementation. The program is awaiting final eligibility review and program design. This program is part of a much larger regionals strategy to address gun violence.

³ <u>https://www.seakingwdc.org/our-work</u>

Small Business Grant Program

The King County Department of Local Services (DLS) provided small business grants of up to \$25,000 to reimburse costs associated with COVID-19 restrictions and the continuity of business operations for eligible small businesses in unincorporated King County.⁴ Grants to businesses were used to reimburse a wide variety of business expenses caused by COVID-19 disruptions and closures. Applications were collected between July and Aug 2021, with award determinations occurring late August. Disbursement occurred between August 2021 and January 2022.

"For my bakery business these grants provided critical financial support when we most desperately needed it to stay afloat during the pandemic. Knowing of additional grants being prepared will be huge help in getting our bakery operating closer to normal and serving our pupusas, Salvadorean quesadillas, and tres leches cakes with our White Center and neighboring communities."

—Ana Castro, Owner, Salvadorean Bakery & Restaurant Inc.

How much?

DLS awarded \$3,566,900 to 391 small business in unincorporated King County to reimburse costs associated with COVID-19 restrictions and the continuity of business operations.⁵ Businesses in unincorporated areas are those operating in locations that are outside of a city jurisdiction where the County operates as their local government (example of local governments functions include maintenance of roads, parks, and police service).⁶

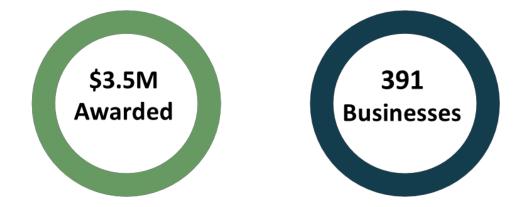
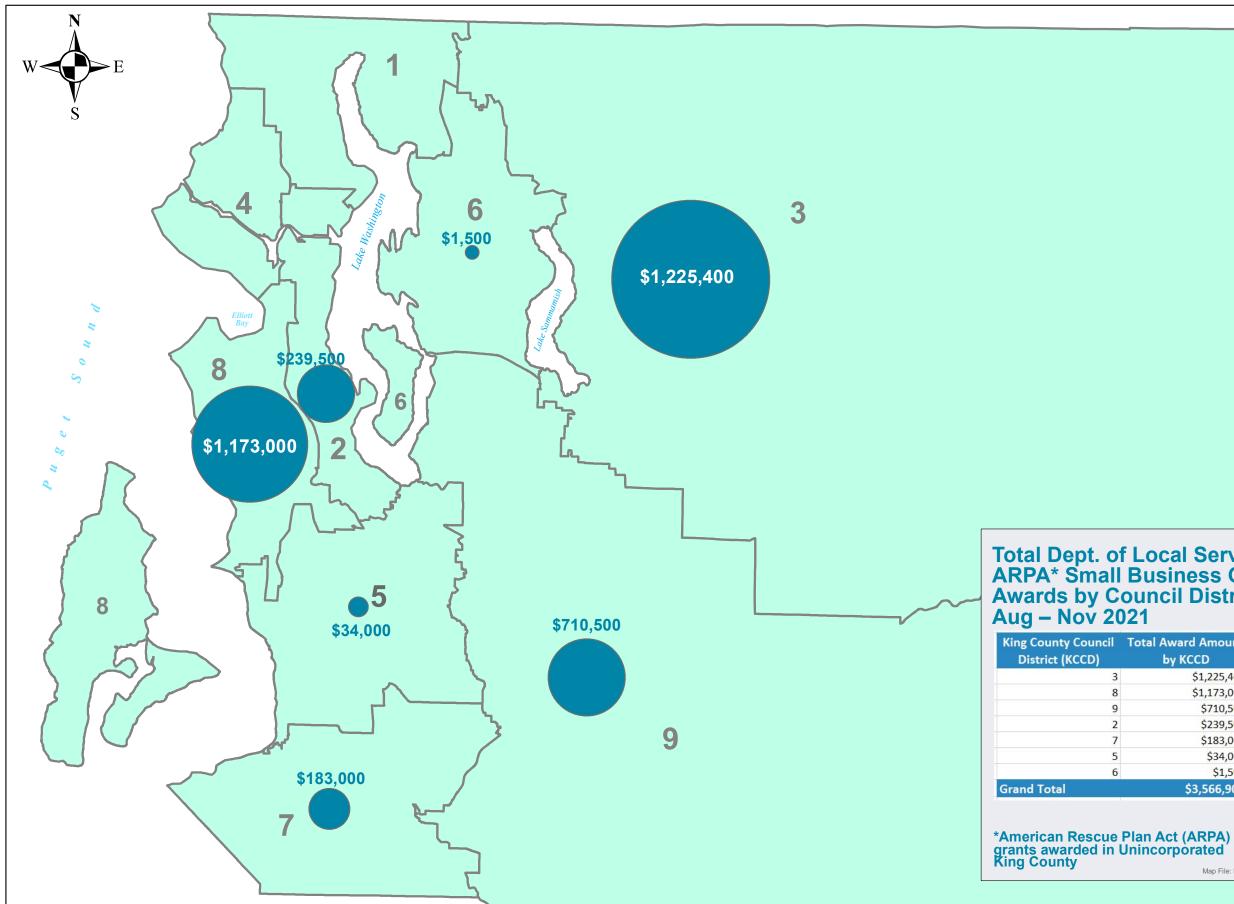


Figure 4: DLS awarded over \$3.5M to 391 small businesses in Unincorporated King County

⁴ More information about DLS Economic Development and Business Assistance is available online - <u>https://kingcounty.gov/depts/local-services/programs/economic-development.aspx</u>

 $^{^{\}rm 5}$ Of the total amount awarded, \$3,537,091 was claimed by grantees.

⁶ Additional information and highlights about this program are available - <u>Executive Constantine proposes \$600</u> million American Rescue Plan budget – public health, community supports, jobs and economic recovery - King County



Total Dept. of Local Services ARPA* Small Business Grant Program Awards by Council District Aug – Nov 2021

uncil D)	Total Award Amount by KCCD	Number of Awards by KCCD
3	\$1,225,400	112
8	\$1,173,000	128
9	\$710,500	81
2	\$239,500	40
7	\$183,000	26
5	\$34,000	3
6	\$1,500	1
	\$3,566,900	391

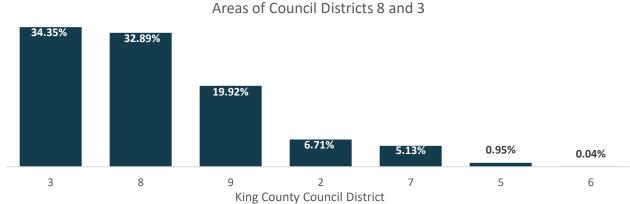
King County

Map Date: July 14, 2022 Map by: Nanette Lowe Map File: D:/COVID-19/COVID-19-OrgAwardSites2022.mxd

How equitably did we provide service?

This program focused its efforts in areas with historic inequities, including census tracts designated as Qualified Census Tracts (QCTs) by the U.S. Department of Housing and Urban Development (HUD).⁷ To support this goal, the program adopted a broad outreach strategy that incorporated on-the-ground events, direct outreach to previously identified eligible businesses, social media advertising, and in-language radio interviews. To ensure equitable access, the program fully translated the website and application in the five languages prevalent in unincorporated King County.

In the end nearly 70% of grants were awarded in the unincorporated areas of King County Council Districts 8 (which includes White Center and Vashon Island) and Council District 3 (which includes the unincorporated communities of Bear Creek/Sammamish, the Snoqualmie Valley, and Fall City. There are very few unincorporated parts of Council Districts 6 and District 5 which led to a small overall program distribution in these Districts.



Nearly 70% of the DLS Small Business COVID Grants went to Unincorporated



There are very few unincorporated parts of Council Districts 6 and District 5 which led to a small overall program distribution in these Districts.

Is Anyone Better Off?

King County disbursed over \$3.5 million in federal relief dollars to small businesses in unincorporated areas. This investment provided a lifeline to 391 businesses to keep their doors open and pay for extra costs associated with the COVID-19 pandemic. Video testimonials about how these grants helped business owners cover maintain operations during the pandemic are available online and linked below.⁸ The map on the following page shows the full distribution of funding by King County Council District. It's important to note that there are very few unincorporated parts of Council Districts 6 and District 5 which led to a small overall program distribution in these Districts.

⁷ QCTs are an annual designation by HUD to indicate areas where 50% or more of the households have incomes below 60% of the area median income, or where the poverty rate is 25% or higher -<u>https://files.nc.gov/ncgov/documents/files/ncpro/QCT-overview_final.pdf</u>

⁸ Business testimonials: <u>https://www.youtube.com/watch?v=pMtDt6sVdDw</u> (Aroma Coffee, Fall City) <u>https://www.youtube.com/watch?v=a36UpBwkWul</u> (El Salvadorian Bakery Story, White Center)

4Culture Grant Programs

Of the \$9.4 million dedicated to 4Culture, they allocated \$5 million to funding for arts, culture, and heritage organizations with 2019 revenue under \$1 million⁹, \$3 million to funding for individual cultural producers, and \$1.4 million to the costs of administering these programs. 4Culture program staff worked to develop a coordinated approach to the distribution of ARPA funding for organizations and Sustained Support funding, which is 4Culture's annual operating support for cultural organizations funded by King County lodging tax.¹⁰

How Much?

So far 4Culture has distributed a total of \$5,008,736 to 179 cultural organizations in the areas of art, heritage, and historic preservation and a total of \$921,000 to 107 individual producers.



Figure 6: 4Culture awarded over \$5.9M to 179 cultural organizations and 107 individual producers¹¹

These grants addressed the effects of COVID-19 on arts and culture throughout the region. Individual grants were available from \$1,000 - \$12,000 and aimed to stabilize the finances of cultural producers in King County who lost a minimum of \$1,000 in income in 2020 due to the public health crisis. Disaster relief grants were offered to support individuals that, for purposes of these programs, met a definition of a cultural producer to stabilize their living situation and stimulate cultural production and income generation.

For organizations this program aimed to increase employment opportunities and public program offerings by King County cultural organizations. Grants to assist organizations in weathering the

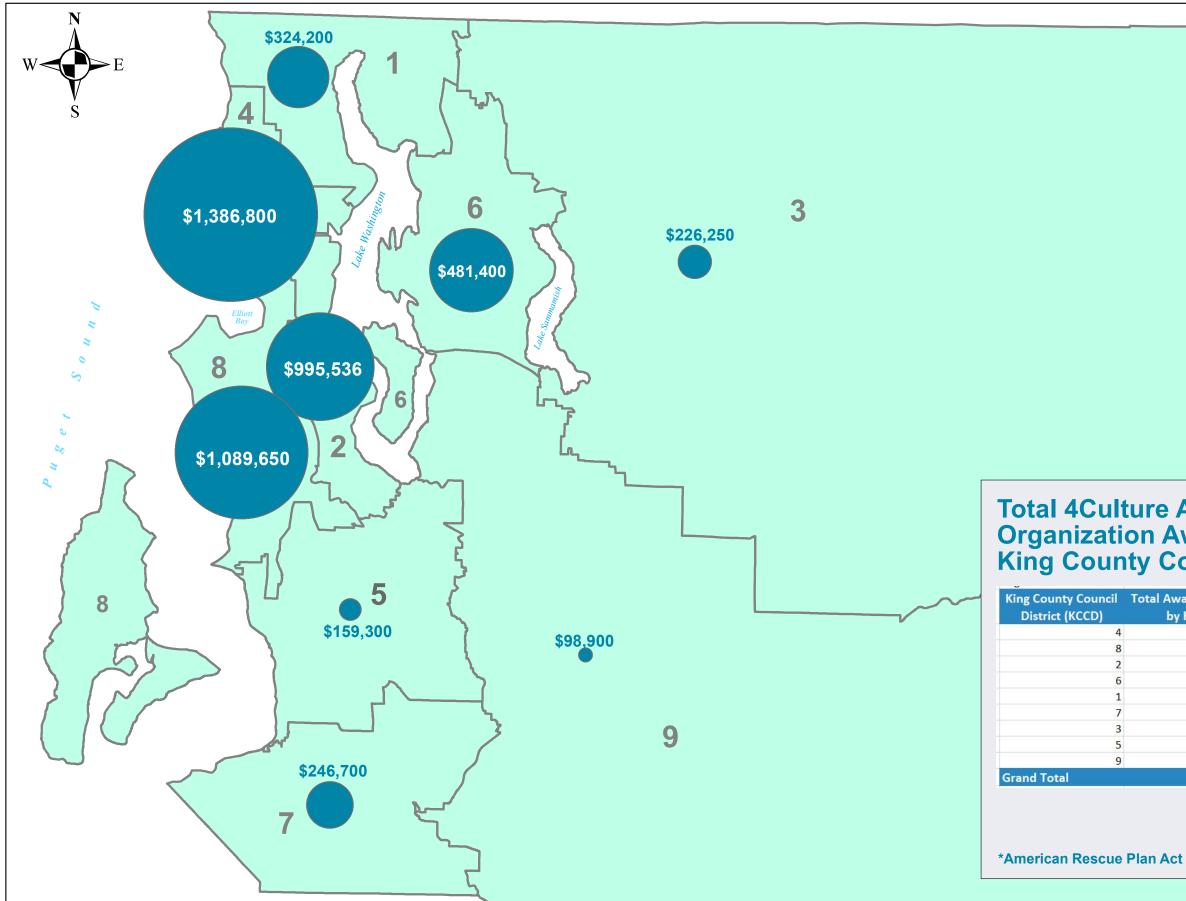
pandemic were offered to small and mid-sized nonprofit cultural organizations with annual revenue of less than \$1 million to stabilize operations, stimulate rehiring, and relaunch public programs. Grant eligibility was assessed by reviewing gross revenue as reported on 2019 and 2020 Form 990s or Form 1040s for each organization.

"I just wanted to send an email to say Thank 4Culture. When I received this email last week, it made me cry. Now I get to have a little bit of relief and am ready to share my music!" -Grant Recipient

⁹ 4Culture Staff Report, Recovery Fund Orgs, 3.25.2022

¹⁰ 4Culture Staff Report, Recovery Fund Orgs, 3.25.2022

¹¹ Full list of awardees is available online at - <u>https://www.4culture.org/grants-artist-calls/past-grants/?c=Recovery%20Fund&y=2022&d=</u>



Total 4Culture ARPA* Organization Awards by King County Council District

ouncil CD)	Total Award Amount by KCCD	Number of Awards by KCCD
4	\$1,386,800	43
8	\$1,089,650	44
2	\$995,536	36
6	\$481,400	14
1	\$324,200	19
7	\$246,700	6
3	\$226,250	10
5	\$159,300	4
9	\$98,900	3
	\$5,008,736	179



Map Date: July 14, 2022 Map by: Nanette Lowe Map File: D:/COVID-19/COVID-19-OrgAwardSites2022.mxd

How equitably did we provide service?

Awards to individual producers required demonstrating measurable loss and being a dedicated cultural producer. In addition, priority considerations were given to applicants that met the following factors:

- Geography: Applicants who live outside the City of Seattle, or in a 2010 US Census tract area with a Community of Opportunity index percentile of 60% or greater.
- Financial: Applicants with annual income below \$25,500 and between \$25,500-67,000.

4Culture staff pursued wide outreach for communications. Messaging about the Recovery Fund for Individuals went out in 4Culture's all-county communication, including E-Newsletter and social media posts. Outreach was also done through a partnership with Converge Media and via zoom workshops that were recorded and shared on their website.¹²

Awards to organizations were reviewed by a diverse panel of 19 individuals that specialized in a variety of cultural fields and professions. Reviewers rated applications based on:

- Organization with a demonstrated mission focus on one of 4Culture's program areas of Arts, Heritage, or Historic Preservation; minimum 3-year track record of cultural programming or activity; located in and serving King County;
- Public Benefit score of at least 2 out of 5 by panelists;
- 2019 total revenue below \$1 million, along with demonstrated negative impact of COVID on revenue, through showing a reduction in revenue of at least \$1,000 between 2019 and 2020 IRS returns.¹³

"I cannot thank 4Culture enough for this Covid Recovery Fund. Words fall short for me. It means so much to receive this assistance and is very timely! I wish it wasn't a reality that so many of us in the creative community are still finding our footing in a different time and space." —Grant Recipient

After verifying eligibility and revenue amounts, staff developed a tiered Recovery Fund award allocation formula. 4Culture's analysis of revenue losses across the cultural sector showed that smaller organizations, on average, suffered greater losses in proportion to their annual revenue. Accordingly, smaller organizations were prioritized to receive an award amount calculated at a higher percentage of pre-pandemic revenue. In addition, organizations located in Federally recognized Qualified Census Tracts (areas with a higher percentage of low- and moderate-income households) were prioritized for increased awards.¹⁴

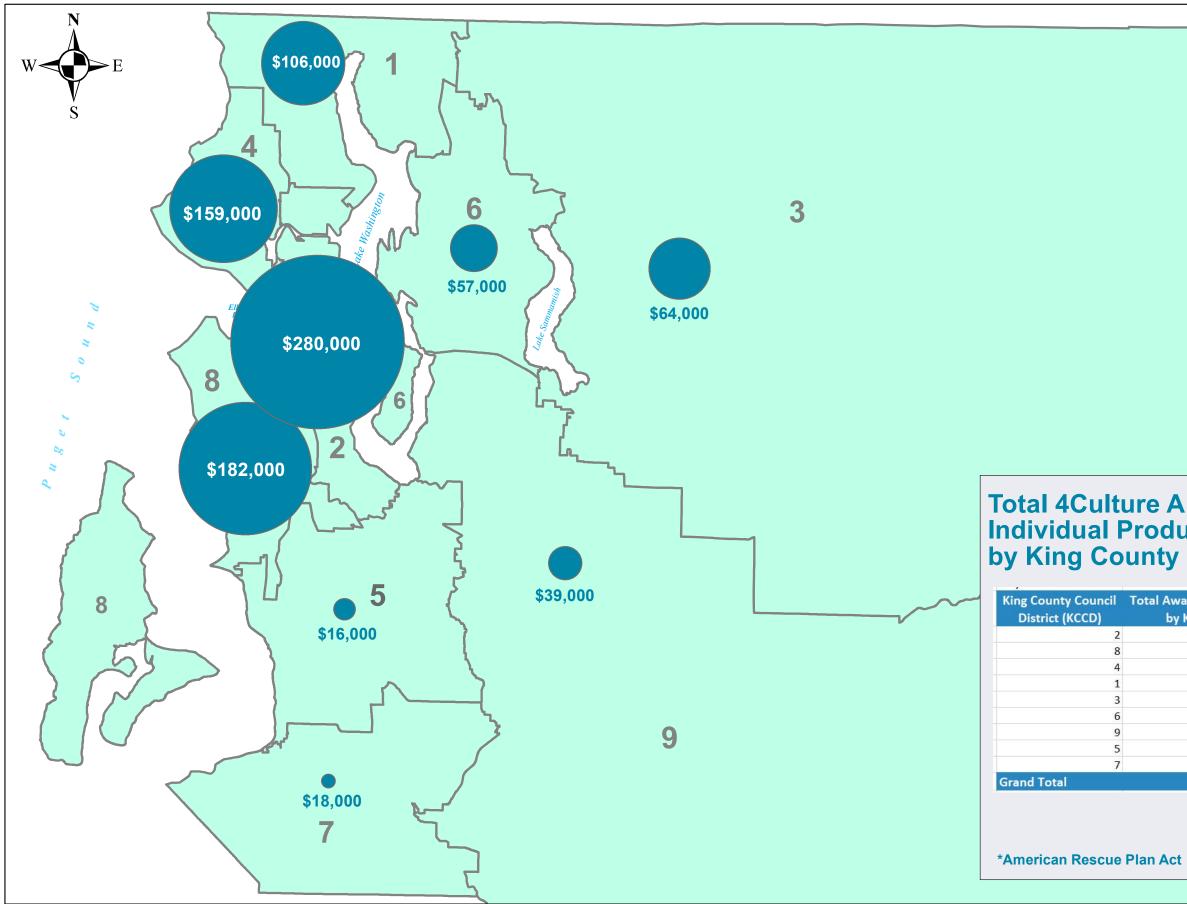
Is Anyone Better Off?

The 4Culture awards to both individual producers and cultural organizations impacted the cultural sector throughout King County. The following maps show the distribution of funding for both awards by King County Council District. Visit <u>www.4Culture.org</u> for more information about 4Culture, list of awardees, and available grant opportunities.

¹² 4Culture Staff Report, Recovery Funds Individuals, 4/2022

¹³ Or through two consecutive IRS returns showing pre-pandemic and post-pandemic revenue, for organizations whose fiscal year is not aligned with the calendar year. For organizations with fiscal sponsors, verified financial statements from fiscal sponsors were allowed to substitute for IRS returns. More information available - 4Culture Staff Report, Recovery Fund Orgs, 3.25.2022

¹⁴ 4Culture Staff Report, Recovery Fund Orgs, 3.25.2022, p.5



Total 4Culture ARPA* Individual Producer Awards by King County Council District

uncil D)	Total Award Amount by KCCD	Number of Awards by KCCD
2	\$280,000	32
8	\$182,000	23
4	\$159,000	20
1	\$106,000	11
3	\$64,000	7
6	\$57,000	5
9	\$39,000	4
5	\$16,000	3
7	\$18,000	2
0	\$921,000	107



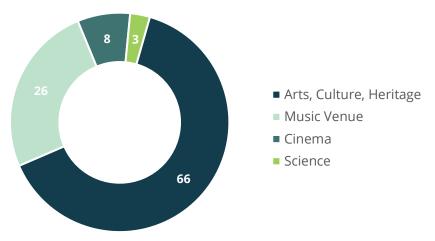
Map Date: July 14, 2022 Map by: Nanette Lowe Map File: D:/COVID-19/COVID-19-IndyAwardSites2022.mxd

King County Arts & Culture Grants Program

Of the \$19.5 million available, King County Office of Performance Strategy and Budget (PSB) Arts & Culture grant program prioritized organizations in King County with the last full season pre-COVID-19 annual operating budgets of over \$1 million. \$16.5 million was made available to for arts, culture, and heritage organizations with annual operating costs over \$1 million. \$1.5 million was made available to science organizations that promote science and nature conservation through education, exhibition, and other programs by public admission in King County. \$1 million went to music venues for independently owned and operated music venues that offered, on average, 3 live music shows per week in King County pre-pandemic. \$500,000 was made available to movie theaters for independently owned and operated movie theaters in King County^{-15,16}

How Much?

After award eligibility review and adjustments based on organizational pre-pandemic revenues, \$19,247,093 was awarded to 103 organizations in the areas of arts, culture, heritage, science, music venues, and theaters.



King County Awarded Over \$19.2 Million in COVID Relief to the Cultural Sector

Figure 7: Number of Awards by Cultural Sector¹⁷

- \$16.5 MILLION TO ARTS, CULTURE, AND HERITAGE ORGANIZATIONS WITH A PRE-COVID 19 FULL OPERATING SEASON ANNUAL BUDGET OF OVER \$1 MILLION.
- \$1.5 MILLION TO SCIENCE ORGANIZATIONS.
- \$1.0 MILLION TO INDEPENDENTLY OWNED AND OPERATED LIVE MUSIC VENUES.*
- \$0.5 MILLION TO INDEPENDENTLY OWNED AND OPERATED MOVIE THEATERS.*
 *MULTINATIONAL CORPORATIONS AND ADULT THEATERS WERE NOT ELIGIBLE TO APPLY.

¹⁵ For additional information and press release visit:

https://kingcounty.gov/elected/executive/constantine/news/release/2021/December/13-Arts-and-Culture-Fund-Awards.aspx

¹⁶ Multinational corporations and adult theaters were not eligible for movie theater grants.

¹⁷ Full list of awardees is available here: <u>https://kingcountycreative.com/wp-content/uploads/2021/12/Arts-and-Culture-Awards-12.10.21.pdf</u> - *note that "Over \$1 million operating budget" refers to arts, culture, heritage organizations.

How Well?

These one-time grants aimed to provide relief to the cultural organizations and businesses adversely impacted by the COVID-19 pandemic, so they could prepare facilities for reopening, bringing the people of King County together in a safe environment, and re-employ our cultural workers. By investing recovery funds into the arts and cultural sector, independent live music venues, and independent movie theaters, King County intends to support putting people back to work, attract tourism, create local economic growth opportunities, and revitalize the region.¹⁸

"The health and vibrancy of our creative economy and entertainment venues is essential; people come from across the state, country, and the world to enjoy the broad and acclaimed culture King County has to offer."

-Executive Constantine

Is Anyone Better Off?

The Arts and Culture grant program has provided relief to the cultural organizations and businesses adversely impacted by the COVID-19 pandemic, so they can prepare facilities for reopening, bring the people of King County together in a safe environment, and re-employ our cultural workers. By investing recovery funds into the arts and cultural sector, independent live music venues, and independent movie theaters, King County has helped support the process of putting people back to work, attracting tourism, creating local economic growth opportunities, and revitalizing the region.

¹⁸ For additional information see the King County Arts & Culture Fund website: <u>https://kingcountycreative.com/home/arts-and-culture-fund/</u>

Events and Festival Grant Program

Since March 2020, at least 700 events in King County have been cancelled, including music festivals, cultural festivals, community events, parades, fireworks celebrations, heritage events, film, food and craft festivals, agricultural events, and more.

How Much?

\$1,894,940 in relief was delivered to 185 organizations to put on over 200 events and festivals throughout King County.



Figure 8: Over \$1.8 million in relief was delivered to 185 organizations that hosted over 200 events and festivals throughout King County.

How Well?

These one-time grants provided relief to the festivals and events producers adversely impacted by the COVID-19 pandemic, so they could address the needs of event and festival producers seeking to reestablish community activities, events, festivals, and celebrations in a safe environment, while engaging residents and tourists throughout the County and employing event workers, working creatives, and culture bearers.

Is Anyone Better Off?

The funds disbursed from the Festivals and Events Grant Program supported event/festival organizations, events-based local businesses, and other events producers adversely impacted by COVID-19 pandemic. Many producers who did not think they would be able to recover after the pandemic were able to plan and/or host important 2022 community activities, events, festivals, and celebrations because of this funding.

The map on the following pages shows the distribution of events throughout King County that were supported by ARPA funding.

