

The COVID-19 crisis has created an economic storm in the ocean that is equal in its force, and we might find all of Owatonna in that storm, but we are among different boats. From skiffs to ocean liners. Sadly, some of these boats have had to remove their motors and toss them into the water. How can the Owatonna community help get these motors back on the boat and economically running?

Background Description

We know that the Coronavirus pandemic has had a negative effect on local small businesses and sole proprietors, impacting their continuity of services and/or operations. There is a profound need for support to help these companies weather the economic storm.

Resilience & preparedness will be key for a reset, a new normal. An opportunity exists to pull together a community stabilization effort – one that responsively helps to ensure our local economy – specifically small business and sole proprietors are able to maintain their livelihood and keep our community vibrant. Support is needed now more than ever, recognizing the Coronavirus pandemic and its impact will continue to evolve. Anticipated needs include:

- Financial Capital - to help cover rents, utilities
- Transition Support & Guidance
 - How to alter storefronts and internal operations to accommodate resumption of business
- Facility Remediation
 - To conduct modified cleaning practices of internal surface operations for protection of employees, customers/visitors
 - Updated physical space due to new restrictions
- Marketing and Promotion - to incentivize customers to patronize business (e.g. communication regarding status of operations, implemented protective measures, how customers will be protected when visiting business)

To not address the needs, we will slow Owatonna's recovery which will push some small businesses to permanent closure and employee job loss. Minimizing permanent business closures and ensuring their stability is critical to our downtown and the future of our community.

Currently, there is an appetite between the Owatonna Area Chamber of Commerce & Tourism and various business leaders to engage with generosity and offer some level of assistance to help launch a thoughtful recovery and resumption strategy – one that can help small business persevere through this crisis. Assistance might consist of financial and/or in-kind services (e.g. graphic design, advertising/promotion, people power).

Recommended Solution

The Owatonna Area Chamber of Commerce & Tourism will assume a key leadership role to organize a diverse group of stakeholder community members. This group will help:

- Develop a plan to jumpstart and reset small business in Owatonna – to help local establishments sustain the impact from decreased business and cash flow caused by the shutdown of our economy.

- Create and implement a small business “support campaign” – this includes fundraising and disbursement of donated monies to help stabilize small business owners facing significant financial challenges in this economy.
- The selected campaign will formally be referenced: ***Jumpstart Owatonna – Working Together for OUR Small Businesses.***

Benefits

The OACCT is already offering consulting guidance to manage the effects of the pandemic. They are active and positioned to pair small business needs to financial resources such as Southern MN Initiative Foundation grants, state and federal assistance programs, and to offer communication touchpoints that highlight local, state, and federal resources that become available, whether financial or help to guide their reopening.

A small business support fund represents an added resource. Its formation and advocacy will:

- Help bridge the gap for small businesses facing economic hardships as a result of the pandemic.
- Foster the establishment of a “new normal” environment – in order to attract consumers/visitors and to engage this group with local business services.
- Assist small businesses in applying, understand and developing their template for reopening according to federal, state and local guidelines.
- Provide for civic participation - offers the community a chance to pitch in and help its neighbors in a meaningful and immediate way.
- Create collective enthusiasm to galvanize citizens to come together with a common goal.

Assumptions

- The Chamber Foundation will act as the fiscal agent for the fund and will manage all contributions
- It is recognized that the community will continue to learn and plan for the evolving impact.
- A Grant Review committee comprised of public and private sectors will review all applications and make decision regarding dispersal of raised funding. This group may be separate from the campaign planning and fundraising team.
- Eligibility criteria will need to be established to determine who will receive funding.
- Support Fund will disburse grants as long as the contributions will allow.
- Contributions will be tax-deductible.
- Financial resources will be coordinated and applied where they would bring the best results.
 - Funding could be paired with other available COVID resources.
- Due to changing nature of the pandemic, available funding may shift over time.

Reasons for Recommendation

COVID-19 and social distancing measures have created many challenges for our small businesses and sole proprietors. They are a highly important part of our local economy. We are faced with the challenge of ensuring a viable future for them, for our community. Helping them through these difficult times and returning them to an acceptable profitability level, as quickly as possible, is a priority. Owatonna is a community filled with generosity and support – a designated support fund demonstrates that we are all in this together and strengthens our future.