

Downtown Mobile Alliance

INNOVATION

The Downtown Strong Small Business Impact Fund was created to address the immediate need to provide direct financial assistance to downtown businesses struggling under the weight of COVID restrictions. Many of our local, independent entrepreneurs operate on the thinnest of margins and were not sure how rent and utility obligations would be met. Unencumbered by the need to navigate any sort of legislative process, the Downtown Mobile Alliance was able to set up this fund long before the federal, state, and local governments could establish programs providing assistance. The first expansion of the program allowed us to offer matching grants for façade improvements and repairs, which had the benefit of addressing our longer term goal of reducing blight. These grants were available for commercial property owners or the businesses renting ground floor space. A subsequent component of Downtown Strong connected some of our less experienced operators with legal and accounting professionals who could address immediate issues, but also provide a foundation of sound business practices to contribute to more stable future operations.

As the State of Alabama opened up businesses for customers, the Air Purification Grants were a direct response to the need to create as safe an indoor environment for employees and customers as current technology allows.

OUTCOME

Immediately, the GoFundMe match provided grants to eight downtown businesses. The media coverage of this effort helped tell the story of small businesses in a moment of crisis, and since all eight businesses raised more than the minimum amount required for the match in a matter of days, the emotional boost gave them hope that they would be able to survive into a post-pandemic world.

The Façade Grant program has assisted 12 property or business owners in addressing repairs or improvements to their frontages. Since Downtown Strong provided owners with a 50 percent reimbursement, the owners were required to invest in their properties as well. Many of these repairs were long-delayed, and several resulted in higher quality improvements than would have been possible without the match. Against all odds, the Façade Grant program even resulted in the opening of a new eatery. The restaurateur was able to leverage the grant to complete the conversion of a bar into a popular new dining spot. Additionally, the streetscape has been greatly enhanced by the new paint, lighting, signage, and installation of shade-giving canopies.

Seven businesses, primarily retailers, have taken advantage of the Air Purification Grant. The high-tech systems will improve air quality by minimizing the contagion of SARS-CoV-2 and eliminate the perennial problem of mold and mildew. Five businesses, all retailers, applied for the professional assistance grants, which provided legal and accounting advice.

All of the 30 businesses taking advantage of any of the Downtown Strong opportunities are still operating.

EXECUTION

- Initial funding of \$10,000 was provided by the Downtown Mobile Alliance with corporate donations quickly providing the balance.
- A protocol for processing the applications and an incentives review committee was established. A technical review committee was created to review the Air Purification Grant applications.
- Eligible recipients were notified of the opportunity to apply through our direct digital marketing channels and local media.
- Application deadlines were fairly short to create a sense of urgency and so that funds would be dispersed quickly.
- The applications were reviewed and approved by the review committee monthly.
- Checks were cut and delivered within days of approval.

REPRESENTATION

Our initial partners in the Downtown Strong effort arrived quite by surprise. Local corporations, including Mobile's largest industrial employer, a regional restaurant chain without a location downtown, and two banks, committed money without being asked because they believed the program would help our downtown businesses survive. Additionally, law firms, accounting firms, and architects provided professional assistance.

Beneficiaries of Downtown Strong included small businesses, non-profits, several women-owned businesses and those that serve the LGBT community.

REPLICATION

The Downtown Strong Small Business Impact Fund could be reconfigured to work in any number of situations that result in an interruption of business activity in an area, e.g., a natural disaster, a sudden economic hit, or an act of terrorism. Even with a small amount of seed money, if the local corporate community supports the effort to keep local businesses alive, funds can be raised to incentivize physical improvements or provide direct financial assistance.

As far as personnel, the existing staff of the Downtown Mobile Alliance took on the different aspects of the execution so that no single person was responsible for the entire effort.

COMPLEXITY/SIMPLICITY

Incentive programs can be quite complicated and burdensome, and though we tried to simplify the application process, some applicants still struggled. Key was the establishment of a single point of contact to process the applications and interact with the applicants. An unexpected challenge with the Façade Grant program was the scarcity of contractors, especially those skilled in working on historic buildings, able to provide quotes and then undertake the project. This problem was later exacerbated after the city was hit by Hurricane Sally in September. These delays extended the time necessary to complete some of the improvements. A further challenge is the difficulty some applicants had in providing the required proof of payment necessary to issue a check. Our POC proved invaluable in shepherding these overwhelmed small businesspeople through the process.