



Morrisville

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To: Town Council

From: Sara Ellis, Small Business Specialist

Date: January 9, 2024

Re: Administrative Report – Small Business Outreach Program Update

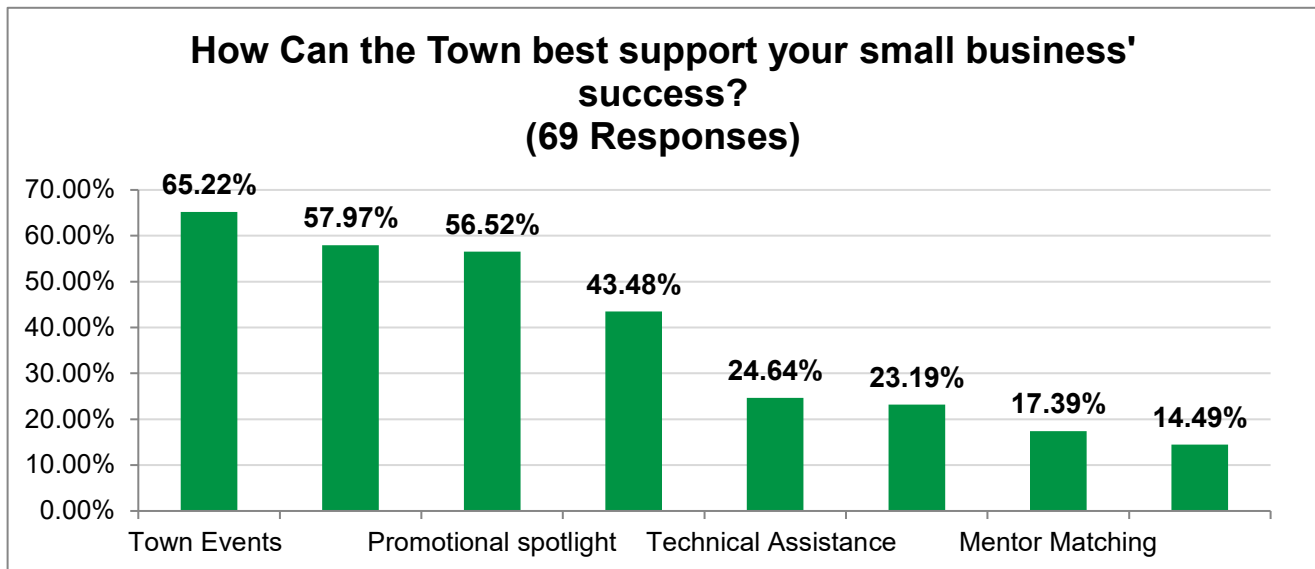
The Town of Morrisville received a Congressional Community Project Award Grant from the U.S. Small Business Administration (SBA) in September of 2022, in the amount of \$300,000. The goal of this grant was to provide financial assistance through micro-grants and sponsored programming to support businesses most impacted by COVID-19 mandated closures as noted by Town Council in Fall 2022 Work Session (restaurants, personal service, and fitness) To determine the types of programming to offer, and to provide the Town's small businesses with information about the micro-grant program, a three-phase engagement plan was developed.

The following report summarizes phase one outreach, and details the results of phase-two programming, including Morrisville's first restaurant week and feedback received from businesses who received professional services. As phase-two concluded in 2023, the report details plans for phase three, which will launch in January of 2024 and continue through the end of the grant performance period in August 2024.

PHASE ONE ENGAGEMENT SUMMARY

The goal of the first phase of engagement, beginning October 2022, was to gather data from internal and external stakeholders to set a baseline for the small business community's needs and the Town's ability to address those needs. This included assembling a database of all Morrisville small businesses, and their contact information. Once that database was established, staff developed and administered a survey to understand how the Town's small businesses would like to be communicated with, what their biggest challenges were and how the Town could best support them.

The survey received a total of 70 responses, which made up about 23% of the Town's small businesses targeted for this engagement effort. The full Phase One engagement report including all survey questions and detailed responses is available on the [Town's website here](#). The Town's Indian-owned businesses were largely missing from the response data, an area that saw considerable improvement during Phase Two. The chart on the following page from the Phase One survey summarizes areas respondents asked for support.



What defines a Morrisville Small Business?

A small business for the purpose of this engagement effort met the following criteria:

- The business is physically located within the Town limits of Morrisville.
- Does not have franchise locations outside of the Triangle.

Data Collection

To understand who and where the Town's small businesses are located, staff receive a twice-yearly data delivery from a marketing company that sources data through public records, phone calls, and other collection methods. Town staff then clean the dataset to pull out only businesses who meet the definition of a Morrisville small business.

As of December 2023, the Town of Morrisville has about 304 small businesses. The following table shows a summary of the types of small businesses in Morrisville.

Morrisville Small Business Industry Mix

Business Category	Total Number of Morrisville Businesses
Desserts & Drinks	8
Educational & Rec Services	26
Grocery Stores	6
Hair, Nails, Spa & Massage	43
Health Care	24
Home & Family Services	53
Restaurants	53
Retail	22
Businesses Serving other businesses	69
Total	304

PHASE TWO ENGAGEMENT SUMMARY

The Morrisville small business community is as diverse as the Town of Morrisville itself and required an engagement approach tailored to match. The following sections detail Phase Two of the three-part engagement plan designed to engage businesses during the grant performance period. Phase Two engagement took place between May 2023 - July 2023. The Morrisville Means Business COVID-19 relief micro-grant and professional support services program launched on May 21.

Engagement Results

Staff made considerable progress reaching a more diverse cross section of Morrisville's small businesses. The tangible nature of the grant and programming applications were an easier entry point to starting a relationship with many businesses who may not have interacted with Town staff on non-regulatory issues. Staff learned about the challenges small businesses face, their successes, and a very clear love for the Town of Morrisville as a nice place to do business.

The goal of this phase of engagement was to recruit businesses to apply for micro-grants and Town sponsored programming. The Town received a total of 28 eligible COVID-19 micro-grant applications from Morrisville small businesses. Most micro-grant applications were from businesses designated under the Hair, Nails, Spa & Massage code. Based on conversations with business owners, many Town restaurants who survived the COVID-19 closures made more than \$500,000 in gross annual revenue and were not eligible for the grants.

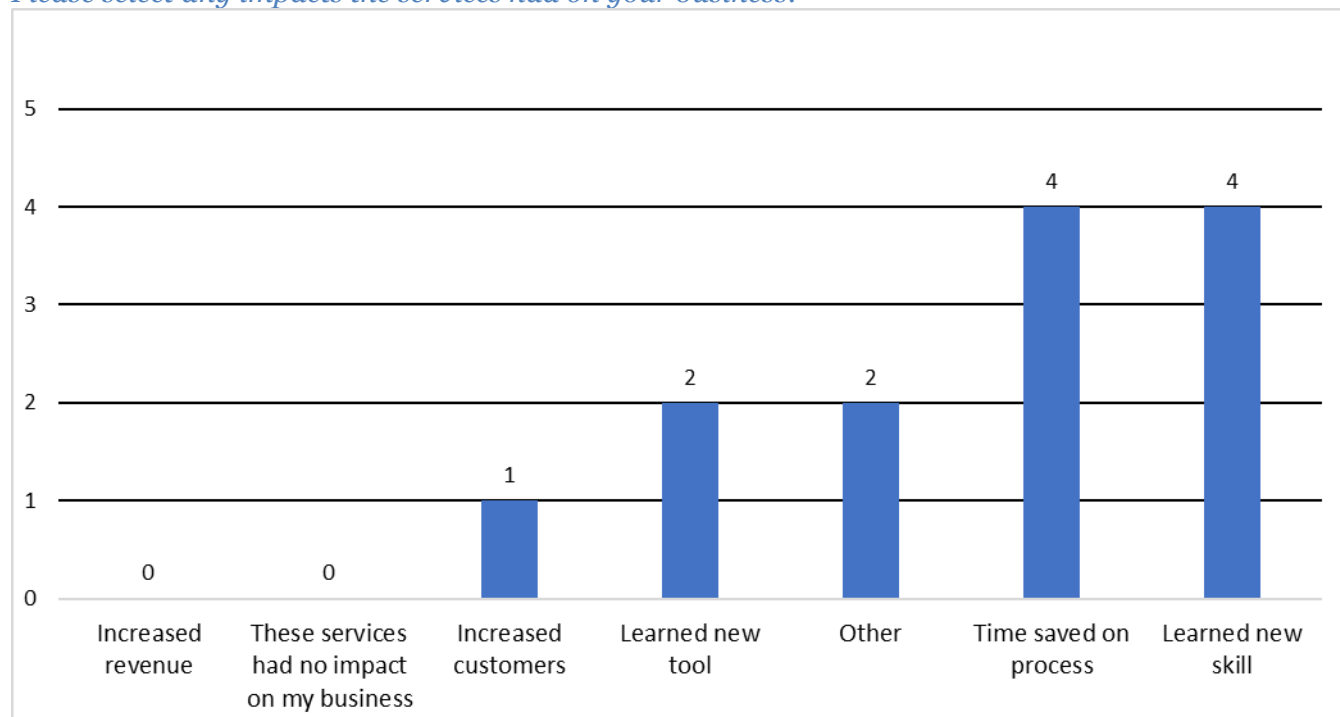
TOWN SPONSORED PROFESSIONAL SERVICES IMPACT SUMMARY

The Town Sponsored Professional Services application was open approximately two months from Monday, May 22 to Friday, July 21. Eligible Morrisville small businesses could apply for up to \$3,000 in services from three different professional service providers. All eligible business applicants were scheduled for an initial, confidential assessment with their service provider of choice. Following this assessment, the provider then developed a tailored plan for that business based upon their service needs within the budget parameters before administering their services.

When asked in the Phase One survey, 65% of respondents indicated technical assistance in the form of marketing and advertising support would be most helpful to them. This was followed by finance, accounting and planning at 58% and legal at 53%.

The Town received 27 total applications, however only 20 met the eligibility criteria. Ineligible applicants were located outside of Morrisville. While 20 businesses were eligible for services, four businesses failed to respond after their initial assessment and did not receive services leaving a total of 16 businesses served. In total, 63% of participants received marketing assistance, with the remainder split evenly between legal and accounting assistance. All the participating businesses were sent a post-services feedback survey to share their experiences. These post-services feedback surveys were available in English, Hindi, and Vietnamese to ensure all participants had an opportunity to access and clear understanding of what was being asked, however only the English survey was utilized. Eight of the 16 businesses served responded to the survey and were asked to rank their experiences receiving Town sponsored professional services on a scale of "Extremely Well to Extremely Not Well". Participants were asked how well they felt the team understood their needs, and the majority of 75% indicated "extremely well" with 25% indicating "somewhat well". Participants were also asked how well they felt the team addressed their need, and that response was split 50/50 between "extremely well" and "somewhat well". To understand the impacts, businesses were asked to select from a menu of options shown on the following chart:

Please select any impacts the services had on your business:



Those who selected “other” shared improvements to website design and legal advice were the greatest impact.

The remaining two sections highlight responses in the words of program participants.

Please share how receiving Town sponsored services impacted your business (7 of 8 responded):

- Understood and improved the business need and time saved on the task.
- I have hired companies before to help me with marketing, but I feel like I got very little out of it for the money I paid. The services I needed this time was very specific to what I needed for my business at this current. They went above and beyond what I expected, and I also used them for additional services as well that I needed. I was immediately able to implement some of the strategies they taught me, and I believe it will lead to new customers and increased revenue.
- I highly appreciate the value offered by this program, as it proves to be incredibly beneficial for small businesses. However, enhancing its effectiveness by tailoring the advice to meet specific needs would be advantageous.
- Town sponsored marketing service helped me so much get great feedback on our website and marketing content as well as proposals content. It helped confirmed we were doing the right thing.
- Receiving Town sponsored services impacted my business in giving me ideas and strategies to launch a marketing campaign that will allow the hair loss side of my business to grow and thrive.
- As a small business - where a few of us do everything - it's good to have someone with expertise come in and look over our shoulder to help identify things that may be blind spots, or we just didn't have the time to dig into. They were also able to help identify potential solutions to problems that we hadn't identified.
- Increased revenue.

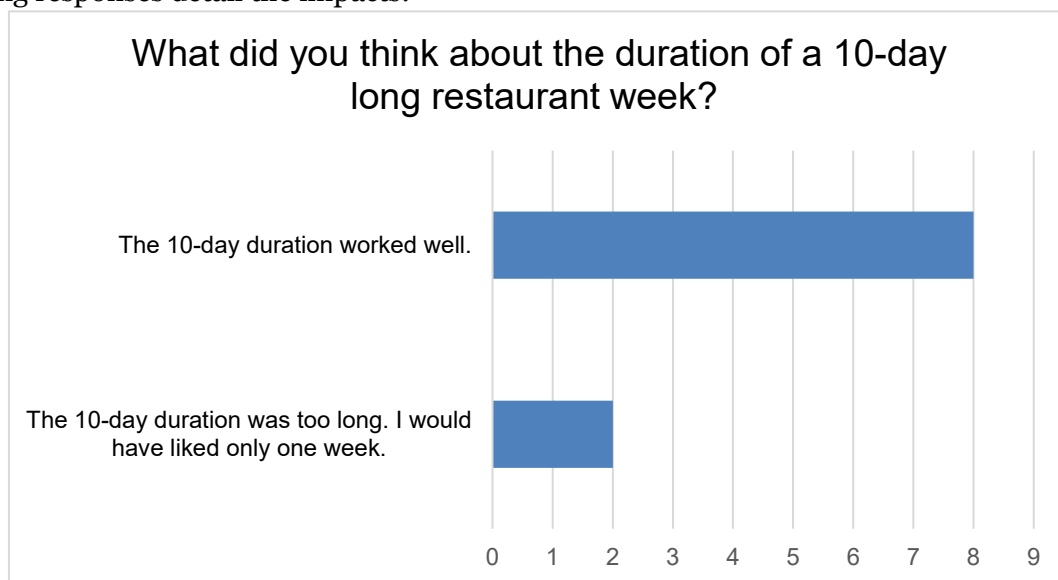
Please share any feedback you have on the program, and ways the Town could improve or have better served your business (5 of 8 responded):

- Great program to support new and small business.
- I am very thankful to the Town for this type of support. Since my need was greater for marketing, I did not have enough money to utilize another I also needed. I would suggest if there were resources left those who have participated in the program could have access to additional if available.
- I encourage town to do these programs more to support local and small businesses.
- N/A
- Personally, I was seeking legal guidance related to workers' compensation issues. Although the advice I received was somewhat basic, it was a positive experience overall. I acknowledge the limitations of the program's specificity and thank you for the assistance provided.

MORRISVILLE RESTAURANT WEEK IMPACT SUMMARY

As we heard, 65.22% of businesses from the Phase One Survey wanted to participate in Town events. To support this interest, the Town hosted the first Morrisville Restaurant Week from September 28 to October 8. Any restaurant physically located in the Town of Morrisville was welcome to participate by providing a prix-fixe menu at an affordable price to let new customers try out different foods. All participating restaurants were provided with promotional table tents, posters, and assistance with menu design. The restaurants menus were then posted on www.MorrisvilleRestaurantWeek.com, which included filters by price and cuisine type to allow patrons to search and filter.

A total of 20 Morrisville Restaurants signed up to participate in Morrisville Restaurant Week, including a couple of vendors from the Western Wake Farmer's Market. To understand the impact of the event on participants, a post-event survey was distributed to all restaurants and a total of 11 responded. The survey was available in English and Hindi, however no respondents filled out the Hindi survey. The following responses detail the impacts:



Do you have any additional feedback for the Town on Morrisville Restaurant Week?

- As a farm we had 3 specials varying from \$30 to \$100 in value. I did sell at least 15 of these specials but it did not appear people came to get the specials after hearing about them through restaurant week. It was mostly regular customers noticing the specials at market. Thank you.
- Excellent efforts to promote community-based business.

- I think it was first time it was ok.
- It would be great to reduce to a weeklong.
- Looking forward to next year's restaurant week!
- Maybe advertise it more.
- Mostly sold regular customers but did get 3 new customers.
- Please advertise more.
- Really enjoyed participating and would like to do it again next time!
- Some more publicity.
- We saw 100 checks with MRW discounts. Good number but more customer facing marketing needed.

Lessons Learned

This was the Town of Morrisville's first restaurant week, and we learned a lot of great lessons to bring forward in future restaurant weeks.

- Full service, sit-down restaurants had the most success, as opposed to take-out only restaurants or businesses that served drinks and snacks.
- Limiting the total number of restaurants helps cut down on competition between participants and drive more customers. There was no cap on the number of participants, which may have provided too much choice to customers.
- Restaurant week and the concept of a "special menu" was a challenge for owners who may not be familiar with that American concept. Additional education and culturally specific outreach could have resulted in more full-service participants.

PHASE THREE PROGRAMMING

The Morrisville Means Business Program has accomplished a lot since its launch in August of 2022, and we have some great plans to keep that momentum going in 2024. The following programs were developed based on needs identified from the community and internal Town discussions. The Phase Three programming outlines three areas of focus and the following section details the programming and areas of collaboration within each:

1. Community Collaboration
2. Doing Business with the Town
3. Education

Community Collaboration

Launch Morrisville Support (July)

Launch Morrisville is a 10-week program of small business training hosted at the Morrisville Chamber of Commerce (MCoC). Launch Morrisville is open to current small business owners who would benefit from the combination of business and financial resources that Launch Morrisville provides. Entrepreneurs with great new business ideas are also considered.

Shop Local Campaigns (October – November)

Small Business Saturday, the Saturday following Thanksgiving (November 25th) is a day to celebrate and support small businesses and all they do for their communities. Founded by American Express in 2010 and officially cosponsored by the U.S. Small Business Administration (U.S. SBA) since 2011, Small Business Saturday has become an important part of small businesses' busiest shopping season. This year, the Town provided the following amplification:

- Hired a videographer to film four local businesses and a message from the MCoC President to encourage residents to shop local. The video is posted on the Town's YouTube page and social media channels.

- Promoted the MCoC annual holiday gift guide to our small business database to provide them with another opportunity to broaden their reach and increase their customer base.

Doing Business with the Town

Activating the Town Business Registry (Unspecified Timeline)

- Develop a food and catering database that helps create an easy ordering experience for staff who may go with a large corporation as their first choice. As the Town makes several food purchases, we can help direct them to local options.
- The Town makes a variety of purchases and has an opportunity to do so intentionally and locally where possible. Future programming can explore streamlined ways for staff to access local businesses for purchases of items such as printing, supplies, consulting, etc.

General Small Business Support (Ongoing)

There are several small business support organizations based in the Triangle that provide services tailored to the region. It can be overwhelming to a small business owner to navigate all these resources; the Small Business Program can act as a conduit and help direct businesses to the right service. To know how to connect them, it is recommended that staff meet with each organization to introduce Morrisville's small business community's needs and learn about matching programs.

Shopfront Improvement Grants (January launch thru August)

Several Morrisville businesses opened within the past year or two and need to update their exterior signage or maintain other physical elements. However, as a small business that can be a cost that is unattainable. The signage challenge then may result in businesses resorting to signage placement that may not follow the Town's Sign Ordinance as outlined in the Unified Development Ordinance (UDO). In addition to signage, businesses may have landscaped areas they are responsible for maintaining that contribute to the appearance of their entrance. These funds will be available to help qualifying small businesses upgrade the public-facing entrances of their businesses to follow the Morrisville UDO and support their need for marketing assistance.

Availability and Program Outline:

Grant funds will be made available on a first-come-first-serve basis. Qualifying projects are eligible for a grant of between \$2,500 and \$5,000 per public facing store front (or public facing side of property) on a 50%/50% matching basis while the \$20,000 grant funds are available. The applicant will be responsible for obtaining all necessary building permits from the Town of Morrisville prior to project approval. Upon project completion, copies of paid statements, invoices, and cancelled checks, etc. from service providers who meet the Town's licensing and bonding requirements, must be submitted to claim reimbursement. All completed improvements will be subject to inspection by Town of Morrisville Staff in accordance with UDO. Upon satisfactory inspection of completed work and documentation of expenses, 50% reimbursement payment will be issued for the grant.

Distribution of Grant Monies:

Project cost incurred prior to receiving Town approval is NOT eligible for reimbursement. Program funds are 1:1 matching grant. Program will reimburse up to \$5,000 per store front. Example:

Store front program share:	\$2,500
Property owner/tenant:	\$2,500
Total store front upfit project:	\$5,000

Total store front project cost may exceed programs portion – project grant will receive no more than \$5,000. The monies will be distributed via back-end reimbursement following Town inspection approval.

U.S. SBA Observance Recognition (Monthly)

The [U.S. SBA recognizes](#) nine events and holidays throughout the year pertaining to small businesses. The recognitions are an opportunity to highlight the contribution small businesses make to our community. The Town has developed a social media plan with practical business information for these observances and may pair them with other events.

- Hispanic Heritage Month (September 15-October 15)
- LGBTQ+ Pride Month (June)
- AANHPI Heritage Month (May)
- National Small Business Week - NSBW is April 28 - May 4, 2024
- Women's History Month (March)
- Black History Month (February)
- National Veterans Small Business Week - NVSBW is October 30 - November 3, 2023
- National Women’s Small Business Month (October)
- National Native American Heritage Month (November)

Town of Morrisville HUB Program (Spring)

The Town of Morrisville has a Historically Underutilized Business or HUB Program that was established in 2004, and can be found [online here](#). Morrisville Means Business can develop a plan to evaluate and monitor the Town’s current HUB program goals, stated below:

“The Town of Morrisville’s Historically Underutilized Business (HUB) Program includes the following goals:
1- Establish a 10% HUB overall participation percentage goal in the building construction projects meeting the statutory formal bid threshold expenditure level, and
2- Establish a 10% HUB overall participation percentage goal in the procurement of consulting and professional expenditures related to building construction projects meeting the statutory formal bid threshold expenditure level.
3- The overall program participation percentage goal will be reviewed annually or on a project-by-project basis as soon as relevant data becomes available.
4- Historically Underutilized Businesses will have an opportunity to receive technical assistance in licensing, bonding, certification, completing bid forms, clarification of any area of the contract in which there are questions (not including estimates for any specific project), and other procedures involved in securing Town contracts.”

Additional future program considerations include:

- i. Develop Town mechanism to notify MWBEs who register with the Town about bid, purchase, and proposal opportunities via email or other channels.
- ii. Consider a local policy preference (see [City of Greenville](#))

Education

NCWorks Programs (Unspecified Timeline – pending partner coordination)

➤ On the job training

NCWorks specializes in getting people get back to work while simultaneously helping businesses fill vacant positions. Finding out that a new hire can't perform the job wastes time and money. On-the-job Training (OJT) helps to eliminate this problem by reimbursing 50% of an eligible employee's wages while they train, reducing the employer's cost of training new, full-time employees. This program will have no cost to the Town and is paid for through the state.

➤ Catalyst 20/20

CATALYST 20/20, developed by Capital Area Workforce Development (CAWD), seeks to drive growth in industry through the learning and development of an organization's existing workforce. Grants of up to \$10,000 are awarded to eligible businesses in Wake, Johnston, Lee, Chatham, or Orange County for training of their workforce in areas including, but not limited to: technical training, certifications, leadership development, soft skills, and professional development. Training may be for individual contributors, leaders, departments and/or teams. Funding is available for up to 12 months from time of award notification. Companies may reapply in subsequent years – lifetime maximum of \$40,000 may be awarded to any individual business. This program is paid for by the business and through CAWD.

Small Business Resource Guide (Updated quarterly)

The first edition of the Morrisville Small Business Resource Guide was published in October of 2023. The guide was a collaborative effort across Town Departments who interact with small businesses and is a free online resource. To ensure the guide stays current, staff conduct quarterly updates, the first of which was completed in December 2023.

Workforce Recruitment and Training through Wake Tech

A continuation of the Town's partnership with WakeTech can include paying for businesses or their staff to attend the following offerings.

➤ ServSafe Certification Course

- The Town can continue to sponsor small businesses to send employees to WakeTech ServSafe Certification courses. Restaurants in North Carolina are required to always have a ServSafe Certified manager on duty, and this has been a requested area of assistance from Morrisville businesses.

First grant-funded course (Spanish) completed in September 2023 with five students.

➤ Wake Tech Co-Ops

- Work-Based Learning (co-op) allows students to apply what they have learned in the classroom in an actual workplace setting. Students work for an employer in a position directly related to their field of study. The Town of Morrisville can serve as a match maker for businesses who are struggling to retain employees. This program will have no cost to the Town, as business will pay the student directly.

Unspecified Timeline

➤ QuickBooks for Business Course

- Town sponsored QuickBooks for Business course that includes free, student copies of QuickBooks for that business' continued use.

Staff is coordinating for May course offering.