



FROM: Suzi Pegg, Economic Development Director

DATE: July 29th, 2020

SUBJECT August Economic Development Report

Recommendation

Accept this report.

Social Media/ Marketing

The priority continues to focus on keeping our business community up to date on federal, state and local assistance. All SM platforms are being utilized on a regular basis with many agencies cross sharing to help keep the public updated. From the EDD most of this information is in regards to the available funding opportunities coming from the Feds or the State.

City of Concord Podcast

The City of Concord podcast has been relaunched and is currently focusing on updates for the business community and 'good news'. The most recent podcast was hosted by the EDD and the PIO and addressed business news and funding opportunities, City updates and good news. The broadcast can be found on the City website.

Measures:

Economic Development Director Target Visits/Leads for FY2021: 150

Target leads/visits/calls for July: 19

Target leads/visits/calls for FY 2021 to date: 19

Updates:

Business resource pdf

Housed on the city's website, this is updated on an as needed basis. An emergency alert is pushed out if any of the information is urgent in nature or time sensitive. This has

been recently updated and cleaned to keep the page current for any stakeholders looking for the most recent information.

InTown Concord Market Days has been cancelled for August due to concerns over COVID. In its place, August will become Market Month and will be run as a social media campaign. Updates can be found on InTown's Facebook page.

Real Estate updates

The 8.2-acre industrial land parcel owned by the Capital Regional Development Council (CRDC) at 51 Antrim Avenue in Concord was sold to Cloas Realty Management LLC for \$225,000. This was the last lot in the Concord Business Airport Park developed by CRDC. The buyer will build a state of the art LEED environmental testing lab which will be the new headquarters of Eastern Analytical.

Concord Hospital has cut the ceremonial ribbon to open its new 147,000 sf West Wing to its Memorial Medical Office Building, offering an efficient layout to support team-based care, enhanced exam and procedure rooms, centralized registration on each floor and a new café.

Fortinet acquired Bradford Networks in 2018, in a transaction for 7,574 sf at 51-53 Regional Drive in Concord.

April Dunn Realty has acquired the building next door to Quality Cash Market located at 11 Eastman Street. The Quality Cash market building was sold in June to an entity listing themselves as CMAF Enterprise LLC.

Cols Kitchen is taking over the space left by Willows at 55 South Main Street. It will continue to be run as a vegan restaurant. It is expected to open in the near future.

It has been reported that Goodales Bike Shop are selling their businesses based in NH to TREK Bikes.

COVID-19 Update



Status of the economic stimulus packages: The Paycheck Protection Program and EIDL

The Economic Injury Disaster Loan (EIDL) and EIDL Advance program portal is still open to all eligible applicants experiencing economic impacts due to COVID-19.

SBA's EIDL program offers long-term, low interest assistance for a small business or non-profit. These loans can provide vital economic support to help alleviate temporary loss of revenue. EIDL assistance can be used to cover payroll and inventory, pay debt or fund other expenses. Additionally, the EIDL Advance will provide up to \$10,000 (\$1,000 per employee) of emergency economic relief to businesses that are currently experiencing temporary difficulties. For more information: <https://www.sba.gov/funding-programs/loans/coronavirus-relief-options/economic-injury-disaster-loan-emergency-advance>.

New Hampshire Main Street Relief Fund: applications for the program have now closed.

New Hampshire GAP fund – Still open

Eligibility for the GAP Fund, include but are not limited to:

For-Profit eligibility criteria:

- Be a for-profit business
- Have at least one (1) non-owner employee
- Have its principal place of business in New Hampshire or conduct a significant portion of its operation in New Hampshire
- Demonstrate that the business was fully operational prior to March 13, 2020
- Not currently be in bankruptcy
- Not have permanently ceased operations
- Be in Good Standing with the New Hampshire Secretary of State
- Demonstrate a quantifiable financial impact on their business due to the COVID-19 pandemic

Not-for-Profit eligibility criteria:

- Be a nonprofit organization that is not a 501c(3) or 501c(6)
- Have its principal place of operations in New Hampshire
- Administrative expenses due to COVID-19 that are in compliance with IRS rules and regulations for business expenses
- Have a primary purpose that is not lobbying and/or legislative advocacy
- Not currently be in bankruptcy
- Not have permanently ceased operations
- Be in Good Standing with the New Hampshire Secretary of State
- Demonstrate a quantifiable financial impact on their business due to the COVID-19 pandemic

Important Dates & Timeline

- Application Period – July 21, 2020 – August 4, 2020
- Application Verification Period – August 5, 2020 – August 18, 2020

Update from the July State meeting with Economic Development representatives from across NH

SELF Program: According to the State there were some hiccups in processing applications. The GOFER website now has an appeals process online (open until 7th August) should anyone wish to correct any errors made on their application.

New Hampshire Employment Services: The website is updated and now streaming jobs in the area for those who are renewing or filing for benefits. They wish to engage with as many participating employers as they can. A SM post and individual emails are being sent by the EDD to make Concord employers aware of this opportunity. Washington officials are looking at extending the current unemployment program and are in the process of ironing out the details.

Marketing Campaign: The State has launched a 'Don't Go Viral' marketing campaign targeting the younger generation to wear masks in public. This is primarily focused at areas where they have seen a higher density of population such as the beaches and at events such as the Loudon Speedway and the Laconia Bike Week.

NH GAP Fund – the BFA are half way through the applications for this funding stream. It looks like 90% of the applicants are from the for-profit sector and surprisingly only 10% from the non-for profits.

The majority of the money allocated to the State under the CARES Act has been used towards economic recovery. An arrangement for the reserves from this allocation has been made should the State experience a second wave and therefore address a need to extend the relief opportunities.

Key Findings from University of New Hampshire Survey Center 1 NH SBDC Resilience Survey Public Report July 2020

The following narrative outlines results from a recent survey commissioned by NHSBDC with the NH Survey Center on taking a pulse on how NH businesses are reacting during COVID. The survey center was unable to verify which responses came from Concord based companies (this was an optional check box on the survey) but access to the survey was distributed widely by the City and other Concord partners. That being said, the organizers said the responses are a fairly accurate account of the status of businesses across the whole of NH.

Status under Emergency Order: Just under half of respondents say their business was deemed essential by Governor Sununu's emergency order while a similar number were deemed to be non-essential and closed; a small number were deemed to be essential businesses but closed voluntarily. Larger businesses were more likely to have been declared an essential business. Those that chose to close most often did so because of health and safety concerns.

Employees: The average respondent's business has just under eighteen employees, down slightly from mid-February, when the average business had a reported average of twenty-two employees. However, a majority of respondents say their business currently employs fewer than ten people. More than four in ten respondents say their business employs fewer people than it did in February.

Finances: more than three-quarters of respondents say their business has seen its monthly revenue decrease as a result of COVID-19 and nearly half say their revenue has fallen by 50% or more. Businesses with very few employees, those in the arts,

entertainment, and recreation industry or the accommodation and food service industry, and those deemed non-essential were particularly likely to lose more than 50% of their revenue. Respondents most frequently cite a decline in sales, reduced hours of operation, and being required to close as the primary factors that have impacted their business's finances, with a decline in sales clearly the most important factor.

Relief Programs: The Payroll Protection Program was by far the most commonly utilized federal relief program; six in ten respondents say their business used it, while about a quarter utilized an Economic Injury Disaster Advance or Loan. Among state, municipal, and private relief programs, four in ten respondents used the Main Street Relief Fund and about a quarter utilized unemployment for their employees or for themselves. SELF (Self Employment Livelihood Fund) was not yet available.

Resiliency: Although only one in five respondents say their business had a resiliency or continuity plan prior to the COVID-19 pandemic, 73% said that resiliency planning will be very important or somewhat important to their business in the future. Larger businesses and those involved in manufacturing, health care, or social assistance are more likely to have had such a plan. As a result of COVID-19, four in ten have maintained or brought employees back under the Payroll Protection Program. Less than a quarter have laid off and furloughed employees, while about the same number currently have employees working remotely. Also, just under half of respondents say their business purchased personal protective equipment for their employees. Respondents also reported innovations and modifications that their business has implemented due to COVID-19, with more than a quarter having made physical changes to their location, having had employees work from home, or having started offering new products or services. About one in five say because of COVID-19 they are now collaborating with other businesses, engaging in e-commerce, or offering curbside delivery. When asked about one successful thing their business has done in response to COVID-19, respondents most frequently mention that they changed how they deliver or produce their products, that they implemented remote or virtual work, that they protected the health of employees or customers, or that they practiced better external communication or advertising.

Recovery: Maintaining sales and revenue and maintaining customers are by far the biggest concerns of respondents as their businesses recover from COVID-19; more than four in five respondents say they are very or somewhat concerned about these things. Majorities are also concerned about timely payment of bills, access to capital, supply chain disruptions, liability with following CDC and health guidelines, and cleaning the work environment. Few respondents say that they are concerned about access to COVID-19 testing, defaulting on existing loans, or working remotely as their business recovers.

Going Forward: Most businesses plan to continue the changes and innovations they made in response to COVID-19 even after the pandemic has passed; more than four-fifths of those who have implemented e-commerce, collaborated with other businesses, or offered new products or services and majorities of those who now offer takeout, have employees working from home, made physical changes to their location, or offer curbside or home delivery plan to continue doing so.

Most respondents are confident that their business will continue operating in the short term, but about one in six say they are not very or not at all confident that their business will be operating twelve months from now. In terms of the wider recovery, few respondents expect that the state economy will recover to pre-pandemic levels within three months. Respondents are more bullish in their outlook for the state economy in twelve months, as six in ten expect a recovery to pre-pandemic levels by then, but one-third are dubious that this will have occurred even within twelve months.

The EDD continues to monitor the situation at a local, State and Federal level and ensures locally based businesses are aware of any additional funding coming online and provides guidance and links on how to apply for it.