

**Office of Mayor-President Sharon Weston Broome
City of Baton Rouge/Parish of East Baton Rouge**

Restart BR: Mayor's Business Roundtable Economic Recovery Group

Co-Chairs: Jim Bernhard and Erin Monroe Wesley

Economic Recovery Group Meeting #4 (via Zoom video conference)

June 3, 2020 – 2-3 p.m.

Meeting Participants

Members Present:

Donald Andrews	Michael Cooks	Calvin Mills
Paul Arrigo	Helena Cunningham	Jenni Peters
Alfreda Tillman Bester	John D'Angelo	Ann Trappey
Jim Bernhard	Dr. Barbara Griffith	Jim Urdiales
Greg Bowser	Veneeth Iyengar (ex	John Valluzzo
Mayor-President Sharon	officio)	Mary Werner
Weston Broome	Jerry Jones	Erin Monroe Wesley
(ex officio)	Adam Knapp	Scott Wilson

Members Not Present: John Enququist, Gary Graphia, Ross Reilly, Dave Roberts, Mike Wampold, Brandon Williams

Call to Order and Roll Call: Jim Bernhard and Erin Monroe Wesley

Ms. Monroe Wesley called the meeting to order and introduced Mayor-President Sharon Weston Broome. Mayor Broome thanked the group for their ongoing input, valuable recommendations and feedback and shared her office has been following their suggestions to restart the Baton Rouge economy.

Approval of May 20 Meeting Minutes: Jim Bernhard and Erin Monroe Wesley

The May 20 Restart BR meeting minutes were amended with two edits and subsequently adopted on a motion by Atty. Tillman Bester and seconded by Dean Andrews.

Open Discussion: Ongoing Needs & Challenges, Phase 2 Focus Areas

Mr. Knapp shared some businesses are frustrated and confused by the Phase 2 rollout. The Baton Rouge Area Chamber has asked the State Fire Marshal for additional guidance, especially clarifying policies for event spaces and live music.

Atty. Tillman Bester commented that there is still widespread apprehension to go in public spaces since everyone is not utilizing PPE. Also, the lack of affordable childcare for essential workers presents an ongoing challenge. Finally, many small businesses are having trouble accessing the PPP funds.

Libbie Sonnier-Netto commented on the childcare issue, emphasizing that childcare remains an issue. Current block grant funding is only able to support 15,400 children and facilities are serving more children than that. Once funds for essential workers expire, some of these facilities will be unable to sustain themselves without additional financial assistance. Liz Smith shared a BRAC survey found a little over 60% of local childcare providers have applied for PPP funds, which prompted staff to reach out and connect several survey participants with local banks to facilitate their applications.

Mr. Jones noted ongoing issues with lending to minority businesses and a lack of PPP applications coming from those businesses, which he attributed to people not thinking their application would be accepted after being denied federal funding after the 2016 floods or others simply distrusting the process itself. Atty. Tillman Bester shared feedback from business owners that the PPP application process is cumbersome and the regulations surrounding the loans are challenging. Because many do not have the funds to hire a CPA, they are filing their own documents, which increases the risk that their application will be denied or will lead to other challenges down the road.

Mr. Arrigo noted that hotel traffic is gradually increasing, with the drive-in leisure market improving and visitors traveling between Texas and Florida. He raised the issue of social distancing and policies Visit Baton Rouge is tracking in the context of Phase 2 regulations and large events that can now take place.

Mr. Bernhard shared his belief that, unless face masks or coverings are mandated by businesses or government, a large portion of the population will not willingly use them. Another safety concern involved contamination via large building air conditioning systems, which may contribute to the spread of the virus as people return to work.

Ms. Smith noted that many people may seek to reenter the workforce once expanded unemployment benefits expire in July. She inquired about Employ BR's preparedness to train and deploy a workforce of that potential size. Mr. Mills also raised the issue that many people will need resources to reenter the workforce. Dr. Pamela Ravare-Jones with the Mayor's Office shared that Employ BR is prepared and has the funding, intake personnel, and employment channels to facilitate these needs. She shared that an Employ BR representative will attend the next Restart BR meeting to provide more information on these plans.

Near-Term Action Planning: Veneeth Iyengar

Mr. Iyengar noted many small businesses only have small buffers of cash on hand, and many will need capital to sustain themselves. Also, after expanded unemployment benefits are exhausted July 31, there is an expected decrease in spending on local goods and services which could amplify the challenges small businesses face. Mr. Knapp and Mr. Fitzgerald emphasized that access to capital is one of the biggest hurdles for small businesses, while Atty. Tillman Bester reiterated the decrease in unemployment benefits will harm the consumer and the business.

Mr. Iyengar shared that many small businesses have not applied for PPP funding, but there is still federal money to distribute. Further, the city-parish has begun facilitating microgrant and microloan programs. However, many small businesses still do not have formal banking relationships, and so near-term initiatives should leverage relationships with banks, partners, and CPA firms to address these needs.

Mr. D'Angelo noted the importance of understanding that businesses are not applying for available federal funds like the PPP and why. An outreach program would help businesses understand that this process is different from the loan process for the 2016 floods and get businesses into the formal banking and lending system. He also shared that small businesses may be more willing to trust local grants over federal funding, and that grants are likely more meaningful and helpful than loans due to the long-term stress loans may add to small businesses.

Mr. Iyengar agreed that federal funds should be leveraged first and integrated into a system of microgrants and microloans. He announced that Mr. D'Angelo will spearhead this initiative in coordination with the Mayor's Office. Mr. D'Angelo announced Investar Bank is committing \$100,000 to support small businesses through this microgrant and microloan program.

Dean Andrews shared that Southern University is pursuing a federal grant to help train small business owners on financial literacy and build long-term capacity, as many business owners from low-income backgrounds do not understand all that running a business encompasses.

Mr. Iyengar noted that BRAC's research suggests many childcare facilities did not apply for the PPP loan. Challenges for these businesses include keeping up with safety requirements, making sure that their spaces are prepared, and accessing necessary resources to facilitate their re-opening.

Ms. Werner noted that access to funds and space are two of the main issues childcare centers face. Logistical and funding issues surrounding childcare services include those facilities that

serve low-income families, the costs and attention given to heightened sanitization and public health measures, and needing extra supplies per child to address these needs.

Ms. Smith shared that the expanded unemployment benefits are preventing childcare workers from returning to work immediately and suggested hazard pay or some other incentive may be helpful in encouraging re-entry into the workforce. Ms. Smith noted the gender disparity is prevalent here as well, considering most childcare workers are female and should be taken into consideration when developing solutions to these needs.

Next Steps: Jim Bernhard and Erin Monroe Wesley

Ms. Monroe Wesley shared the next meeting will be held June 17. Before then, additional strike team meetings will take place with topics focused on the near-term recommendations previously developed and approved by the full working group.

The meeting was adjourned at 2:56 p.m. by on a motion by Calvin Mills, seconded by Atty. Tillman Bester.