

City of Kirkland

STARTUP425 PROGRAM REVIEW AND ANALYSIS

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Submitted by:



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Submitted to:





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EXECUTIVE SUMMARY

Startup425 is an interlocal agreement between the Eastside cities of Bellevue, Kirkland, Issaquah, Redmond, and Renton. The program is designed to support entrepreneurs and small businesses, foster sustained economic growth, and create jobs, primarily through training and education modules. During the COVID-19 pandemic, the program transitioned to an entirely online curriculum.

Beginning in 2023, the administration of Startup425 will shift from the City of Kirkland to the City of Bellevue. In advance of this change, the City of Kirkland has commissioned this study to assess the strengths and weaknesses of Startup425, examine the programs and services in the context of other regional business support organizations and efforts and identify opportunities for enhancing the program's impact. This report examines the following:

- Existing entrepreneur and small business needs on the Eastside.
- The existing entrepreneur and small business support services ecosystem and where Startup425 sits within this constellation of programs.
- Where there exist unmet needs within the existing ecosystem of support services.
- Evaluation of Startup425's performance and mission alignment with existing needs.

Findings from this research culminate in a set of recommendations for how Startup425 can improve its service delivery and enhance support for small business and entrepreneur needs on the Eastside.

Existing Ecosystem Challenges and Unmet Needs

The current existing ecosystem of small business and entrepreneur support services in east King County is robust, covering each phase of need. However, there are several challenges and unmet needs within the current ecosystem, including:

Challenges

- Redundancy across programs and services and without coordination of efforts.
- The tech sector is well-served by a robust ecosystem of support organizations, but other sectors lack the same level of support, e.g., mainstream retail.
- Difficulty marketing online programs.
- No system for referrals within the ecosystem.

Unmet Needs

- Digital literacy and online marketing challenges among immigrant business owners.

- Lack of connectivity and community trust among immigrant and minority-owned businesses.
- Need for accessible information and resources on doing business on the Eastside in each Startup425-partnering city.
- Updated and relevant input, instruction, and advice from active entrepreneurs and business owners.
- Financial assistance remains in high demand.

Findings on the Role and Performance of Startup425

We conducted a comprehensive review of the Startup425 program, including services and programs offered before and during the pandemic. Startup425 programs exhibit both notable strengths and weaknesses, summarized as follows:

Strengths

- **In-person, public library-based programs** improve program access for targeted local audiences and showcase library resources for small businesses.
- **Strong branding value.** Numerous stakeholders spoke highly of the strong name and branding value of Startup425, particularly for marketing the Eastside region.
- **Locally focused.** The program uniquely focused on prospective entrepreneurs in the 5-city region.
- Timely small business responsiveness during pandemic. Startup425's collaboration with Business Impact NW provided timely, relevant information and support for small businesses during the height of the pandemic.
- **Innovation Lab accelerator program created alumni network and mentoring.** The Innovation Lab curriculum encouraged the growth of a community of past and current participants in the program. Current and recent participants could then tap into this alumni network to receive mentorship and advice.

Challenges

- **Very low participation in online webinars.** Startup425 has not performed well in attracting participants to its online webinars, especially since year two of the pandemic.
- **Foundations series SCORE instructor quality varies, including before pandemic.** Feedback has pointed to outdated content and inconsistent quality of instruction. There is a need for more engagement with active entrepreneurs across different industries.
- **Need for less formal instruction and more 1:1 counseling.** Oftentimes, there is little or no time for participants to directly engage with instructors on more specific questions.
- **Innovations Lab participation does not cover all five ILA cities.** The program curriculum has been lauded, but the recruitment and outreach efforts underperformed.

- **Redundancy and low coordination with other local programs with respect to mission and content.** There is a need to fine-tune the program to address the needs specific to business owners and entrepreneurs within the five-city interlocal agreement region. There is redundancy in the workshops and seminars to support entrepreneurs and small businesses. Some of this can be resolved through better coordination and cross-marketing of programs and events.
- **There is a need for content updates and realignment.** There is a need for additional assistance, such as help vetting an idea, and content that is more industry-specific.
- **Need for city-specific technical assistance.** Many interviewees highlighted the need for content and instruction specific to opening or expanding a business in each city, such as regulatory compliance, licensing, and taxes.
- **Need for more robust and systematic performance indicators.** There is a need for more regular survey and interview feedback from current participants to help inform program and curriculum adjustments and improvements.

Recommendations

Based on the analysis presented in this report, we have developed six recommendations for the five cities participating in the interlocal agreement to consider for Startup425. The below recommendations are presented as options, and some of these directions for the program are not mutually exclusive. Recommendations are informed by best practices, local stakeholder interviews, and identified gaps and challenges in the current ecosystem.

These options are in response to the following questions: WHO should be the target audience of support, WHAT should be the service or value proposition offered through Startup425, and HOW should these offerings be delivered.

Recommendation #1 [WHO]: Focus on supporting: 1) immigrant-owned business owners; and 2) startups and underserved business owners outside the tech sector. Design content to meet these needs.

The pandemic exposed many ongoing challenges and unmet needs for existing, incumbent small businesses, particularly for minority, women, and/or immigrant-owned businesses. These firms are not startups but create economic value and wealth and are important pillars of the regional economy. During the pandemic, Startup425 was highly responsive to these needs of the businesses, including development and delivery of programs in partnership with Business Impact NW. Despite having “startup” in its title, Startup425 should sustain and expand its focus to support existing small businesses across the five-city region.

In addition, however, the program should continue to focus on providing critical, foundational information and support for entrepreneurs seeking to start their own companies. This support should focus more on industries

aside from the tech sector since the latter is already well-served by a robust ecosystem of services and resources in the region.

- As part of these efforts, following the example of the University of Texas San Antonio SBDC, **Startup425 should collaborate with lending institutions, investment firms, and chambers to broaden the recruitment and pipeline of participants.** These organizations are oftentimes early “touchpoints” for entrepreneurs. Lending institutions and investment firms (e.g., angel capital, seed capital) often interact with aspiring entrepreneurs who may need additional training on the foundations of starting a business before being ready to raise capital.

Recommendation #2 [WHAT]: Focus on industry-specific content, e.g., multi-session modules focused on retail, restaurants, and other sectors that are still recovering from the pandemic.

Develop multi-session modules that are industry specific. Based on the experience of Launch SA, having a single-industry theme enhances the impact of the program, while also fostering networking among participants.

Development of industry-specific modules does not need to be as resource-intensive as those developed for the Innovation Lab. For example, Launch SA has organized happy hour events, where aspiring entrepreneurs can pitch their ideas to business owners for feedback. A possible model for these modules could be weekly or biweekly workshops at the local library where participants can interface and ask questions to active entrepreneurs.

- As part of this focus, **Startup425 should recruit entrepreneurs actively involved in running a business, to augment SCORE instruction.** These business owners bring real life stories and relevant, current content, and can share their experiences and lessons with participants.
- There are existing entrepreneur and small business efforts underway that Startup425 can support and enhance. These include the Main Street Entrepreneur & Pitch Competition (co-hosted by the City of Renton) and the SBDC Entrepreneurs’ Roadmap Series.

Recommendation #3 [WHAT]: Develop program content specific to starting a business and associated tax, legal, and regulatory requirements in each city.

Startup425 is uniquely positioned as the only organization whose mission is directly aligned with the five-city region. Each city in the region has its own unique set of tax, regulatory, and licensing requirements. Startup425 should develop an instruction module that helps participants understand the detailed requirements of opening or expanding a business in each city.

Recommendation #4 [HOW]: Transition back to in-person programs at the local library or other appropriate venues.

Startup425 online webinars have not performed well during the pandemic, with very low attendance. Moreover, many of the prospective participants—existing business owners and aspiring entrepreneurs, particularly in the immigrant community—continue to face digital barriers that may preclude them from participating.

The libraries are a unique asset for small businesses and entrepreneurs, including the rich collection of business resources available at each facility. It is also oftentimes easier for participants to ask questions or to approach instructors afterwards for follow-up in an in-person setting. Startup425 programs should return to the in-person model, though continue to post content from these programs, such as PPTs, on its website.

Recommendation #5 [HOW]: Contract with OneEastside SPARK to carry out Startup425 programming.

The five-city ILA should leverage OneEastside SPARK's infrastructure, expertise, trusted relationships, capacity and mission to curate, coordinate and deploy startup and small business support workshops and programs. OneEastside SPARK is well-positioned to assume many of these efforts, including staff, online content, and close partnership with the SBDC. OneEastside SPARK (OES) was also recently selected as a Port of Seattle and Seattle Metropolitan Chamber of Commerce Community Business Connector. In this role, OES will work to provide access for small businesses seeking assistance to available business resources in the regional ecosystem to help businesses sustain and grow their operations. Relationship building and collaboration with trusted partners at the community level—Community Based Organizations (CBOs)—and referrals to lenders, SBDCs, and other resources are core functions of this work.

Transitioning the lead responsibility for the design, administration and implementation of Startup425 programs to OneEastside SPARK is consistent with the original Startup425 strategic goal to transition the work of the partnership from government to a nonprofit leadership.

Recommendation #6 [HOW]: Develop regular, systematic surveys and case studies and other metrics on Startup425 performance and areas for improvement.

Survey feedback and participant interviews will provide critical information on program performance and opportunities to continually improve and enhance Startup425's impact. We recommend the following practices:

- **Participant surveys.** At the conclusion of each in-person seminar or seminar course, a short, succinct survey to each participant soliciting their feedback on quality of instruction, relevance of content, whether they plan to proceed with starting a business, whether their specific needs were satisfied, whether they plan to follow-up for more detailed

assistance, e.g., SCORE one-on-one advisory support, and the kinds of information and support they will seek next.

- **Interviews and case studies.** Each year, conduct 4-5 more in-depth interviews with past participants to learn about their experiences starting or growing their business and the met and unmet needs from the program.

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INTRODUCTION

Startup425 is an interlocal agreement between the Eastside cities of Bellevue, Kirkland, Issaquah, Redmond, and Renton. The program is designed to support entrepreneurs and small businesses, foster sustained economic growth, and create jobs, primarily through training and education modules. During the COVID-19 pandemic, the program transitioned to an entirely online curriculum.

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Findings from this research culminate in a set of recommendations for how Startup425 can improve its service delivery and enhance support for small business and entrepreneur needs on the Eastside.

Data and Methods

This report leverages both quantitative and qualitative data and sources. For assessing the size and breadth of small business and entrepreneur activities on the Eastside, we make use of several federal and local data sources, including on employment, business establishments, and non-employer estimates.

Survey data, reports, and interviews inform our assessments of the needs of the existing business community, landscape for available support services, and strengths and weaknesses of the existing ecosystem. Interviews were conducted with a range wide of stakeholders, from Startup425 program managers, instructors, interlocal agreement city staff, the Port of Seattle and other economic development organizations, past program participants, and community-based organizations.

Organization of Report

The remainder of this report is organized as follows:

- **Small businesses and entrepreneurs on the Eastside.** The size and breadth of small business on the Eastside, key challenges coming out of the pandemic, and needs going forward.
- **Landscape analysis.** The ecosystem of small business and entrepreneurial support services on the Eastside, and where Startup425 is currently positioned within this ecosystem.
- **Review of Startup425 services and operations.** Program structure, modules offered, and staffing and resource capacity.
- **Unmet needs of small businesses and entrepreneurs.** The needs of small businesses and entrepreneurs on the Eastside and the current role and efficacy of the existing ecosystem in meeting these needs.
- **Best practices.** Examples of best practices on supporting entrepreneurs and small businesses from programs elsewhere in the United States.
- **Strategic recommendations and conclusions.** Review of key findings and takeaways and recommendations for the program moving forward.

SMALL BUSINESSES AND ENTREPRENEURS ON THE EASTSIDE

Size and Scope of Small Businesses on the Eastside

Small businesses and entrepreneurs are a key driver of economic growth, innovation, community development, and wealth generation. Employment in small businesses in Washington state grew nearly 30% between 1994 and 2018, outpacing the national average, and approximately 46% of all small businesses in the state were women-owned (U.S. Small Business Administration Office of Advocacy, 2021).

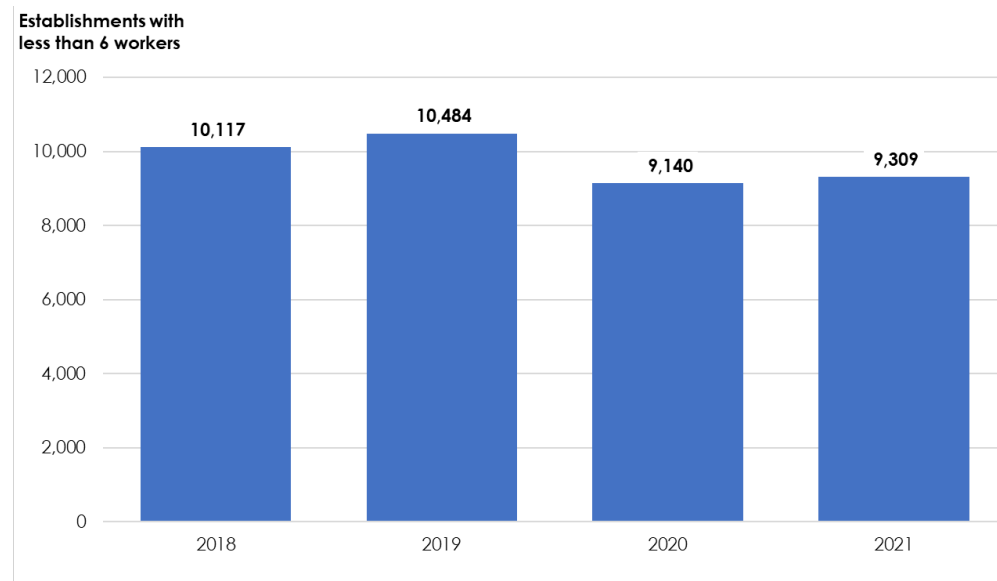
Small businesses are central to the economic fabric of communities on the Eastside. These businesses are often family- and/or immigrant-owned and provide essential services. In 2017, business owners who identified themselves as a “minority” represented 21% of all employer businesses across the economies of Bellevue, Issaquah, Kirkland, Redmond, and Renton (U.S. Census Bureau, 2020). Business owners who identified as “Asian” represented 82% of all minority business owners in the region. According to the most recent U.S. Census Bureau’s Annual Business Survey covering the five cities, businesses with only one employee constituted 50% of all employer firms in the region; firms with less than five workers represented 85% of employers (U.S. Census Bureau, 2020).

Self-employed workers constitute another key segment of the five-city regional economy. In 2021, there were an estimated 43,000 sole proprietor businesses across the region, of which more than a third were engaged in

“Professional, Scientific, and Technical Services” (U.S. Census Bureau, 2022; U.S. Bureau of Labor Statistics, 2022; Puget Sound Regional Council, 2022).

Within the five-city Startup425 region, worksites, or establishments, of less than six workers reached a combined 10,484 in 2019 before falling precipitously in 2020 (**Exhibit 1**). The largest share of these small businesses in 2021 was in the services sector (63%), including restaurants, entertainment, and personal services (**Exhibit 2**) (Puget Sound Regional Council, 2022).

Exhibit 1. Establishments with Less Than Six (6) Workers, Startup425 Area (Bellevue, Issaquah, Kirkland, Redmond, Renton), 2018-2021



Source: Puget Sound Regional Council (2022).

Exhibit 2. Establishments with Less Than Six (6) Workers, Startup425 Area (Bellevue, Issaquah, Kirkland, Redmond, Renton), 2018-2021, by Major Sector

Sector	2018	2019	2020	2021
Construction/Resources	690	696	664	647
FIRE	1,107	1,132	1,225	1,253
Manufacturing	189	190	199	197
Retail	544	513	530	499
Services	6,648	7,075	5,657	5,880
Warehousing, Transportation, and Utilities	903	843	829	794
Government	35	34	34	37
Public Education	1	1	2	2
Total	10,117	10,484	9,140	9,309

Source: Puget Sound Regional Council (2022).

"FIRE" = finance, insurance, and real estate.

EXISTING ECOSYSTEM SUPPORTING ENTREPRENEURS AND SMALL BUSINESSES ON THE EASTSIDE

Existing Ecosystem of Services

There exists an extensive constellation of nonprofit organizations whose missions are to support the development and growth of small businesses in the Seattle and Eastside region. These organizations offer a wide range of services and work with diverse group of target audiences. These include legal and accounting support, business plan development, small business best practices and education and training, digital marketing, and assistance accessing capital and financial support. In addition to Startup425, examples of nonprofit organizations and government entities belonging to this ecosystem include Business Impact NW; OneEastside and SPARK; the Washington Small Business Development Center; SCORE; Ventures; Communities Rise: Microenterprise/Small Business Legal Services; and community-based organizations that serve a wide range of sociocultural and demographic populations, including immigrants.

The economic development ecosystem for small businesses on the Eastside extends across program type, scope, administration (private nonprofit, federal, state, county, or local government), targeted industry or constituency base, and resources and capacity. We examined a wide range of programs and services accessible for different types of small businesses. These programs range from specific technical assistance programs to those broader in types of assistance but specific to a community, e.g., immigrant or BIPOC business owners.

Community Based Organizations

Community based organizations, or CBOs, provide connective tissue between local communities and state and local economic development efforts. CBOs are typically organized by ethnic and/or demographic communities and are often trusted partners. During the pandemic, economic development and small business support programs often cited the involvement of CBO staff as a critical factor in their ability to successfully deliver needed COVID-related support, such as counseling firms on how to access financial support.

OneEastside SPARK

OneEastside SPARK coordinates regional partners to maximize resources and focus on small business and nonprofit recovery and resiliency. During the height of the pandemic, they provided responsive programming and tools to address key areas of need amongst organizations in East King County as they evolved.

Early in the pandemic, OneRedmond quickly scaled its OneEastside program to assist as many small businesses as possible. OneEastside SPARK continues this recovery work while expanding resiliency building efforts in collaboration with East King County's 23 cities and towns; chambers of commerce; higher education; non-profits, and state and county government.

OneEastside SPARK works with SBDC SCORE to connect small businesses with SCORE experts and mentors across a wide range of needs.

In 2022, OneEastside SPARK was awarded one of seven community business connector (CBC) grants. The CBC program, jointly managed by the Port of Seattle and the Seattle Metropolitan Chamber of Commerce, is designed to help small businesses tap into business resources to ensure economic recovery. The overall goal of the program is to make the small business support ecosystem “more supportive and inclusive by building relationships with businesses facing challenges due to linguistic, cultural, and geographic barriers, including economic impacts because of COVID-19” (Port of Seattle, 2022).

Exhibit 3 below provides an overview of business support services and programs by business need. A detailed discussion of these programs, including services offered and targeted beneficiaries, is available in **Appendix B**.

Exhibit 3. Regional Small Business Support Direct Services by Business Need

Category	Program or Organization
Legal Services	Communities Rise Ventures – Legal Clinic Muslim Community Resource Center (MCRC) – Legal Clinic Indian-American Community Services – Legal Services University of Washington – Entrepreneurial Law Clinic
Online and digital marketplace support	Latitudes Business Impact NW Big Hug
Accounting	OneEastside SPARK Accounting and Tax Advising Ventures – Financial Management Course
Marketing	Support Puget Sound Small Business OneEastside SPARK Marketing Advising Ventures – Marketing Course
Access to Capital/Financing	Business Impact NW / Eastside Business Response Team Seattle Business Education Hub Creciendo Con Tiktok, Small Business Grants for Latinx Business Owners National Development Council Tabor 100 – Black Business Equity Fund Ventures – Small Business Loans Muslim Community Resource Center (MCRC) Zakat Greater Seattle Business Association – Ready for Business Fund
Permitting and Regulation	Cities of Bellevue, Issaquah, Kirkland, Redmond, and Renton
Human Resources	Archbright Business Health Trust Ventures – Operations Course
Other/General	OneEastside Small Business Advising Women's Business Center (re)Startup 425 Business Response Team Veterans Business Outreach Center (VBOC) Seattle Small Business Education Hub Ventures – Business Basics and Related Courses Ventures – Business Incubator and Related Services Indian American Community Services Good Food Kitchens

Sources: City of Redmond (2022); High Peak Strategy LLC (2022).

Tech Support Ecosystem

There is a robust ecosystem of services specifically geared to support the tech sector in the Greater Seattle and Eastside regions. These services and support modules extend throughout the growth stages of tech startups, from ideation to launch and growth phases. Programs and services include mentorship and guidance, seed and early-stage capital, incubators and accelerators, investor networking, and market expansion. The table below presents a non-exhaustive set of examples, borrowing from a more comprehensive guide of local resources published by The Founder Institute (2018).

Exhibit 4. Examples of Local Resources in Support of Tech Startups by Growth Stage

Stage	Examples of Local Resources
Idea	
<i>Inspire (Startup Media, Inspirational Events)</i>	Startup Weekend, 425Business, Geekwire, Newtech Northwest, Seattle Angel, Startup Seattle.
<i>Educate (Best Practices, Training & Feedback)</i>	Geekwire Startup Day, Seattle Startup Mentoring & Networking, Startup Founder 101, MIT Enterprise Forum of the Northwest, Tech Diversified.
<i>Validate (Team Formation, Build First Product)</i>	CEOtCEO Breakfast Forum Series, CoFoundersLab, Angel Hack.
Launch	
<i>Start (Establish, Workspace)</i>	Various law firms specializing in tech, Create 33, The Makers Space, ImpactHUB, UW CoMotion Labs, Ballard Labs.
<i>Develop (Formalize, Prepare for Seed)</i>	Various accounting firms specializing in tech, TechBA, StartupNext Seattle, Allen Institute for Artificial Intelligence, Pioneer Square Labs, Reactor.
<i>Launch (Seed Accelerators, Pitch & Demo)</i>	Madrona Venture Labs, Techstars, Geekwire Summit, Seattle Angels, Puget Sound Venture Club.
Growth	
<i>Recognition (Investor Networking, Major Media)</i>	Geekwire Awards, SVP Seattle, Washington Technology Industry Association.
<i>Funding (Anfels/Micro-VCs, Venture Capitalists)</i>	9 Mile Labs, Element 8, Flying Fish Partners, Keiretsu - Seattle, Founders Co-op, Seattle Angel Fund, Alliance of Angels, Ignition Partners, Madrona Venture Group.
<i>Growth (Infrastructure, Expansion)</i>	Various tech systems and HR services and marketing consulting firms.

Source: The Founder Institute (2018).

Vertical Structure of Existing Ecosystem

Business and entrepreneur needs vary based on size, industry, location, but also years in existence. Startup425 has focused its efforts historically on supporting entrepreneurs and, especially during the pandemic, the needs of small businesses disproportionately impacted by the mandatory closures and social distancing.

The above constellation of existing small business assistance programs can also be viewed through the lens of a vertical progression of startup and small business needs. At each rung of this vertical pipeline, there are nonprofit and government services available to small businesses and entrepreneurs (**Exhibit 5**). These levels of business needs include:

- **Entry-level.** Providing basic information on how to start a business, such as applying for and acquiring a business license and developing a business plan.
- **Technical assistance on starting a business.** More specific information, advisory services, and support for establishing and running a new business, including how to create the basic infrastructure before launching a business, such as a website, using e-commerce platforms, and permits.
- **Business education and growth.** Training and assistance to boost and expand growth, including productivity-enhancing best practices, such as LEAN and Six-Sigma, search engine optimization (SEO), establishing and using key performance indicators (KPIs), and other business practices that enhance performance and sales.
- **Crisis assistance and intervention.** Available resources and support for managing and mitigating a crisis. Most recently, this includes programs by Startup425, Business Impact NW, and OneEastside SPARK to help small businesses apply for and gain access to federal and state financial assistance during the pandemic. Assistance may also include services to help a small business manage legal, accounting, or other pressing issues.
- **Market expansion and growth.** Technical assistance for helping small businesses further grow, such as through expansion into new domestic and foreign markets and/or new product development.

Startup425 offers services in three of these stages. Startup425's Foundations series, considered "Basic," provides basic education on how to launch a new business and related information. Examples of recent content offered in the Foundations series include the fundamentals of small business planning, financing options, risk management and cybersecurity, small business finance, and the role of marketing in launching a new venture, with a focus on digital marketing.

The Small Business Essentials series and Innovation Lab both offer more detailed training and support to help entrepreneurs build the actual systems to launch a new business. In the case of the Innovation Lab, the curriculum also offers the opportunity for participants to forge a network among theirs and prior cohorts. The Business Response Team and BOOST were specifically designed to support access to capital and pandemic mitigation for existing businesses, and thus fall under the category of "solve."

Local Startup Support Programs Outside Startup425

Two additional programs, outside Startup425, are helping to address gaps within the current startup support ecosystem, summarized below.

Main Street Entrepreneur Workshop & Pitch Competition

The City of Renton is partnering with the Renton Downtown Association, OneEastside, the Port of Seattle, and Renton Chamber of Commerce to host the **Main Street Entrepreneur Workshop & Pitch Competition**. The program is designed to help new and existing businesses access resources

they need to grow their businesses and potentially open a new location in Renton.

The competition includes four in-person workshops leading up to a live pitch event at the Renton Civic Theatre. Participants will learn the nuts and bolts of launching a small business, including (but not limited to) choosing a business structure, government regulations, insuring a business, how to create a summary business plan, small business financing and accounting, marketing, branding, perfecting and a business pitch. Business owners can compete in one of three business stage categories, depending on their annual revenue and how long they have been in business. There is no cost to participate. Three winners will be selected from those who decide to participate in the final Pitch session in April. Winners will receive \$5,000 and an incentive package (yet to be determined) that will most likely include a Renton Chamber of Commerce membership, marketing package, legal assistance, and other free perks intended to make starting a business easier.

Participation is free. Workshops will be held at the Renton libraries to provide lessons for improving businesses acumen with the intent to open a brick and mortar (or perhaps second) location (Renton Downtown Association, 2022).

SBDC Entrepreneurs' Roadmap Series

The local SBDC, based in Redmond, runs the **Entrepreneurs' Roadmap Series**. The workshop series provides a detailed and actionable knowledge base designed to be resource-driven and user-friendly to help progress the entrepreneur toward their goals of launch, growth, and sustainability.

The program instruction is in-person, though select sessions will be recorded and made available online, based on demand. For example, the Small Business Financing workshop (November 10, 2022) was held at the Bellevue Library. The program covered the fundamentals of developing, marketing, and confidently executing a cohesive financing plan. Topics included: the ease or challenge, total costs, and risks of different funding sources; the value of both diversification and redundancy; and three key risk points most often missed (OneEastside, 2022).

Other workshop topics held throughout 2022 included small business hiring, management, and organizational culture (October 26, 2022); business writing (July 19, 2022); workplace dynamics and organizational culture (June 21, 2022); and mastering the fundamental of inventory management (February 3, 2022).

Exhibit 5. Vertical Pipeline of Business Needs and Services Available to Eastside Businesses and Entrepreneurs*

Stage	Need	Target Audience/Group	Types of Support	Examples of Organizations and Programs
Entry-level -- getting started	Basics	Entrepreneurs	Introduction to resources; how to create a business plan.	Startup425 Foundations ; Ventures Business Basics; Business Impact NW; SBDC and SCORE; Seattle Business Education Hub; SBDC Entrepreneurs' Roadmap Series; Renton Main Street Entrepreneur Workshop & Pitch Competition.
Technical assistance -- how to start a business	Build	Entrepreneurs	Develop a website; connect with legal, accounting, and financial professionals; acquire state and city permits and licenses.	Latitudes; Business Impact NW; OneEastside SPARK; Eastside cities permitting and regulatory offices; Startup425 Innovation Lab ; SBDC and SCORE; Seattle Business Education Hub; SBDC Entrepreneurs' Roadmap Series; Small Business Essentials ; Renton Main Street Entrepreneur Workshop & Pitch Competition.
Business education and growth	Learn and enhance	Existing businesses	Training and best practices.	Seattle Business Education Hub; Ventures -- Financial Management Course; OneEastside SPARK marketing advising; Startup425 Small Business Essentials; SBDC and SCORE; SBDC Entrepreneurs' Roadmap Series.
Crisis support and interventions	Solve	Existing businesses experiencing lost sales, legal issues, and/or other immediate problems.	Pandemic financial support; legal issues.	Startup425/Business Impact NW Business Response Team ; OneEastside SPARK; Muslim Community Resource Center (MCRC) -- Legal Clinic; Ventures -- Legal Clinic; Communities Rise; University of Washington -- Entrepreneurial Law Clinic; BOOST Your Business Workshop .
Market expansion	Grow	Existing businesses with strong fundamentals seeking to grow.	Market expansion; export assistance; new product development.	Washington State Department of Commerce Export Assistance Program; STTR/SBIR funding.

**Bold text indicates Startup425 program.*

CURRENT ROLE, POSITION, AND PERFORMANCE OF STARTUP425

Startup425 is a partnership of the five largest cities on Seattle's Eastside (Bellevue, Kirkland, Issaquah, Redmond, and Renton) designed to support entrepreneurs and small businesses, foster sustained economic growth, and create jobs. These five city governments signed an Interlocal Agreement (ILA) in 2019 to collaborate on the provision of services to Eastside entrepreneurs and small businesses. The program is operated through the economic development offices in each of the cities with support from the Port of Seattle, the King County Library System (KCLS), and SCORE.

When Startup425 was first created, its mission was primarily focused on supporting tech startups and entrepreneurs—a key driver of economic development and innovation for the Eastside economy. However, the mission was then broadened to include not only tech firms but all types of small businesses, and with a greater focus on supporting BIPOC, women, and immigrant business owners and entrepreneurs. Programs (discussed below) include the Foundations series, Small Business Essentials series, Innovation Lab, and pandemic response programs and initiatives.

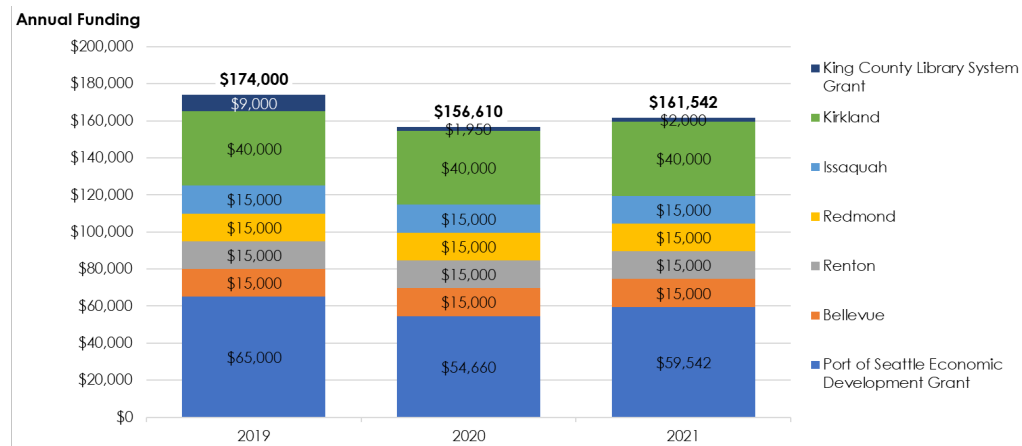
The program is administered by the City of Kirkland but beginning in 2023 will shift back to the City of Bellevue. The program currently has no full-time employees; the City of Kirkland contracts with consultants to administer the program, conduct business engagement, and organize programs.

Funding

Annual funding for Startup425 includes a Port of Seattle economic development grant capped at \$65,000. Each city provides a 50% match, of which up to 25% can be of in-kind resources. In practice, the four cities of Bellevue, Issaquah, Redmond, and Renton each contribute \$15,000 annually. The City of Kirkland provides administrative and management services. Prior to the pandemic, the King County Library System would provide up to \$18,000 for the Foundations module workshops and other library-based activities. SCORE provides volunteer instructors for each of the Foundations workshops.

In 2021, the program's budget was \$161,542 (**Exhibit 6**). The Port of Seattle is the source of between \$55,000 and \$65,000 each year in funding. In 2022, The City of Kirkland did not receive the Partner ILA funding. The participating cities decided to defer collecting those contributions until 2023, with Bellevue collecting ILA contributions for both 2022 and 2023.

Exhibit 6. Annual Funding Sources, Startup425, 2019-2021



Source: City of Kirkland (2022).

Current Programs

Due to the pandemic, Startup425 revised its program to be online webinars only. For the Autumn 2022 season, only one of the three modules is being offered, Foundations.

Foundations of Business (“Foundations”)

Startup425 offers four free workshops in the spring and fall that cover many basics of starting and operating a business. Prior to the pandemic, these workshops were held at each King County Library System facilities in each of the participating cities and were open to the public. The program is aimed at expanding access and business ownership to diverse and underserved communities. According to registration and participation data, classes have been consistently populated by women and non-white attendees, and most attendees represent a new or “soon to be started” business. Classes are often taught by SCORE volunteers and include topics such as preparing a business plan, marketing, finance, and cyber security. During the pandemic, these workshops were changed to online webinars. Unfortunately, registration and attendance has fallen precipitously.

Small Business Essentials Program

An essentially a “200-level” series that provides a deeper dive into the fundamentals of starting and running a business. There were 53 registrants for the 2021 Small Business Essentials program. The program helps those pursuing small business ownership with relevant training, including on business plan preparation, starting a business, marketing, finance, and how to go digital. The target audience are existing small businesses that have operated for some time.

The Innovation Lab

In 2021, Startup425 partnered with Bellevue College to mount the Startup425 Innovation Lab, an intensive seven-week program designed to

“help business owners acquire new knowledge and adapt to the changed economic environment created by the COVID-19 pandemic” (City of Kirkland, 2021, p. 4). Innovation Lab is an intensive four-week accelerator program to help existing businesses and new entrepreneurs acquire new knowledge and adapt to the changing environment created by the COVID-19 pandemic. The program includes a comprehensive assessment of participating businesses, training, and team activities to develop strategies and foster a support network. The curriculum and instruction is supported by a group of experts, business advisors, and mentors from the Eastside who provide insights and expertise, connections to the region’s business ecosystem, and follow-on business assistance after the conclusion of the program.

The program was developed for businesses interested in scaling quickly. The vital construct of the program is one-on-one mentorship for the entrepreneurial participants. The program paired small business owners with experienced professionals working in relevant fields. The curriculum includes seven Zoom-based modules, required homework, and peer-to-peer interaction. Topics covered include:

- Becoming an Entrepreneur
- Customer Journey
- Product, Promotion, Channel, and Price
- Legal, Source of Capital, Strategy & Metrics
- Value Analysis
- Accounting & Finance
- Recruiting & Retaining Teams, Leadership

Pandemic Response Programs and Initiatives

In 2021, Startup425 developed two new programs in response to the pandemic impacts on small businesses. These include:

The Business Response Team

Startup425 contracted with Business Impact NW, a local Community Development Financial Institution (CDFI), to provide one-on-one consulting to small businesses located in partner cities with a focus on accessing federal and other funding sources. The program served more than 800 regional businesses in 2021.

BOOST Your Business

The BOOST Your Business Workshop is a free workshop targeted at sustaining and growing small businesses disproportionately affected by COVID-19 (with an emphasis on businesses owned by women, minorities, and people of color). It provides participants access to complementary and low-cost solutions to get their business online and/or boost their existing digital presence, including opportunities for one-on-one consultations with regional consultants, service firms and technology providers to engage and gain their insights on going digital. The program is structured as a one-day workshop, held at recurring intervals (October 2021, February 2022). The

training includes digital marketing and vendors fairs for participants to connect with third-party resource providers.

Strengths and Successes of Startup425

Startup425 does present several key strengths that should be considered in a restructuring or realignment of the program. One of the most important strengths, according to interviewees, is the branding value of Startup425.

Strong brand value

According to interviewees, the Startup425 brand is valuable for marketing the Eastside region.

Libraries as spaces for local programs

The libraries in each city offer a convenient space for holding Startup425 events. The locations are oftentimes convenient and also attract additional participants who happen to be doing research at the library and come across the program. The King County Library System also has a large collection of resources useful for small businesses and entrepreneurs; holding events at local branches provides an opportunity to showcase these resources.

No other program focused specifically on Eastside startups

There are multiple programs in the region that offer education and training services and modules targeting entrepreneurs. However, Startup425 is unique as the only such program that specifically focuses on prospective entrepreneurs on the Eastside. The local region is rich in tech workers who are considering a career change and pursuing their own business, oftentimes outside the tech sector. The targeted focus on the Eastside region provides startup training and services for these prospective entrepreneurs.

Timely small business responsiveness during pandemic

Startup425's collaboration with Business Impact NW provided timely, relevant information and support for small businesses during the height of the pandemic. Support included guidance on how to apply for federal loan and grant assistance and navigating pandemic rules and regulations. More than 800 regional businesses were served.

Innovation Lab accelerator program created alumni network and mentoring

The Innovation Lab curriculum encouraged the growth of a community of past and current participants in the program. Current and recent participants could then tap into this alumni network to receive mentorship and advice.

Existing Challenges with Startup425: Feedback on Recent and Current Programs

Conversations with city officials and program stakeholders elevated several key issues related to Startup425's programs, contributions, and impacts.

(For a list of individuals we spoke with, see **Appendix A.**) Findings from these discussions are summarized below:

Webinar platforms are not suitable for the Foundations series. Prior to the pandemic, the Foundations program was able to draw a large number of registrants and day-of attendees to each of the library-based workshops. These programs were successful in part because they were embedded within each community and allowed for face-to-face interaction and engagement. City officials were also able to more easily recruit businesses and entrepreneurs to attend these local events. In addition to registrants, many day-off attendees came across the workshop while at the library and using its vast resources for businesses. However, the transition to webinars during the pandemic has resulted in much lower numbers, in some cases just 4-5 attendees.

Misalignment of program name and mission. The name Startup425 has strong branding value. However, it is not entirely reflective of the actual services and audiences targeted over the course of its existence. Especially during the pandemic, programs were more skewed to supporting existing small businesses and not, as the name would suggest, startups and entrepreneurs.

Foundation SCORE instructor quality varies. In some areas, such as accounting and legal issues workshops, SCORE volunteer instructors provided relevant and current information. However, in other areas, notably online marketing and cybersecurity, the instructors—according to interviewees—were not current with respect to content and expertise.

Less instruction, more 1:1 counseling. Many businesses and entrepreneurs, while valuing the course-like instruction, also desire 1:1 advice and counseling. Unfortunately, according to interviewees, the instructional element of the workshops would last the near-entire length of the workshop, leaving little or no time for Q&A. While Foundations still provides useful instruction and information, courses could either be modified or augmented with 1:1 counseling for many questions small businesses and entrepreneurs may have.

Innovations Lab needs broader geographic representation. The accelerator program is the most resource-intensive module of the three. Some city officials raised concerns that city funds were being invested in the program without seeing residents from their jurisdiction among participants.

Redundancy with other programs. Startup425 exists and operates within an ecosystem of free or low-cost small business services, nearly all of which are nonprofits. There could be greater coordination and “enmeshing” of Startup425 in this ecosystem, so as either to address areas not covered (or sufficiently) by other existing programs (e.g., government procurement), or topic areas unique to local government, such as permits and regulatory barriers to starting a business within the region and among each of the participating cities.

Limits of a government partnership. The program was created as a government partnership, leveraging port, county (library), and city resources. However, there are limits to this model, such as the inability to directly accept contributions from corporate donors in support of the program's activities and mission. The 2018 Startup425 Long-Term Plan (Startup425, 2018) specifically called for the eventual evolution of the program into a self-sustaining nonprofit entity. Several interviewees expressed a strong desire to see this process move forward.

Questions about the appropriateness of Startup425 to deliver original content and curriculum. Some interviewees questioned whether Startup425 is the best medium for delivering original content and instruction, particularly considering the broad constellation of other programs whose missions are directly focused on small business services and support.

Content realignment. Startup425 can focus more on what city governments know best—how to do business in their jurisdictions, including at-times complex array of licenses, permits, and local and regional regulatory factors that businesses need to know. City governments, through the platform of Startup425, can convey this important information and guidance in a succinct, easy-to-understand, and accessible manner, including through online sources, seminars, and direct one-on-one consultation.

Need for more robust and systematic performance indicators. Startup425 did conduct a survey of current and past program participants in 2019, as part of the 2019 strategic report. However, response rates were very low relative to the targeted audience. There is a need for more regular feedback from current participants to help inform program and curriculum adjustments and improvements.

UNMET NEEDS OF SMALL BUSINESSES AND ENTREPRENEURS ON THE EASTSIDE

Strengths in the Existing Ecosystem

There are robust program offerings throughout the vertical pipeline of business support services. There is a comprehensive scope of **training resources** available to small businesses on the Eastside, accessible from an ecosystem of various services providers. These services cover the range of needs along the startup and small business growth vertical pipeline as outlined above.

There are also strong informal partnerships. For example, a Business Impact NW representative previously presented at Startup425 workshop. The organization Eastside for All has led regular meetings among community-based organizations (CBOs) to discuss pressing issues, needs, and collaborative opportunities.

Entrepreneur and Small Business Gaps and Unmet Needs

The following areas have been identified as key unmet needs, based on existing research and interviews with stakeholders for this report. Findings from the 2021 City of Redmond *Small Business Economic Development Services* (2022) study identified several key areas of alignment but also unmet needs within the existing economic development ecosystem.

Low digital literacy

Many small, immigrant-owned and operated businesses on the Eastside have a limited online presence and are not positioned to use online platforms such as Amazon to market and sell their goods and services. Moreover, many of these business owners lack basic digital skills and aptitudes, including setting up and using email, which are critical to applying for federal and state financial support and pandemic economic relief.

Cultural and linguistic barriers

Even well-designed training programs are not adequately reaching certain small businesses due to the lack of bilingual materials and cultural relatability between the service provider and the recipient business. Context is often critical, often requiring smaller settings and more direct engagement to ensure important information is not lost in translation.

Access to capital

Community-based organizations and service providers identified access to capital by small businesses as a more pressing need than training. Two common themes we heard from interviewees contributing to limited access to capital were: 1) information gaps due to cultural and/or linguistic barriers and sessions that were not aligned well with small business owner scheduling and work conditions; and 2) administrative factors, such as criteria that often disqualify certain types of small business, especially sole proprietors, from federal grant and loan programs.

Diversity, equity, and inclusion

Some service providers noted that small businesses they work with are grappling with what DEI means for them. For example, where to find information on creating a DEI environment for their customers and within their business and how to adapt DEI to their business model. Moreover, service providers noted that diversity in Redmond and the Eastside is different from diversity in Seattle, which shapes the kinds of needs and services best positioned to support these communities.

Sector-specific needs

Food businesses are required under state law to use kitchens that meet various codes and requirements. For some small businesses, this requires renting a commercial kitchen, which can be very difficult to find in the greater Seattle area and a significant cost burden for small businesses.

Accessible information and resources on doing business on the Eastside

Doing business on the Eastside oftentimes requires a city business license and compliance with various city-level regulations, such as permitting. These regulations are more important for many types of small businesses, such as restaurants, retail, and professional and household services. Various stakeholders have highlighted the need for clear, assessable, multilingual resources to clarify and communicate these rules and regulations small businesses must comply with.

Ecosystem Systemic Challenges

Interviewees highlighted several issues and challenges with the existing small business support ecosystem.

Lack of connectivity and community trust

Small business support programs and community-based organizations (CBOs) reported difficulties establishing trust between service providers and immigrant and minority-owned small business owners; this is particularly true for business owners whose first language is not English. Small business support services have reported much higher success rates working with these businesses and entrepreneurs when a CBO staff person participates in the initial engagement.

Referrals

According to some interviewees, there does not exist a robust system for referring businesses to appropriate service providers, programs, and mentors based on need. For example, the SBDC refers businesses and entrepreneurs to SCORE mentors based on needs, but SCORE does not have a culture that encourages referrals back to the SBDC or other SCORE experts based on business needs outside an individual SCORE mentor's skillset.

Cross-marketing and coordination

The ecosystem is extensive, but in some areas, there is an insufficient level of cross-marketing and coordination between and amongst programs.

Inadequate marketing of existing services

Many businesses and stakeholders may simply be unaware of existing resources and services available to them. This lack of awareness is rooted both in insufficient or ineffective outreach efforts and/or cultural and linguistic barriers.

Nonprofit organization and CBO capacity building

Numerous CBOs work with volunteer mentors to provide free technical assistance to community business owners. This includes financial guidance and advice, help on business plans, marketing, and accounting. CBOs have reported that these mentorship programs are most successful when the mentors come from within the community and are able to relate linguistically

and/or culturally with beneficiary business owners. Limits on capacity also adversely affect the rate of follow-through support and success of mentorship programs. Multiple CBOs indicated that they are at capacity and need more resources to both recruit local, community-based mentors and manage the mentorship program.

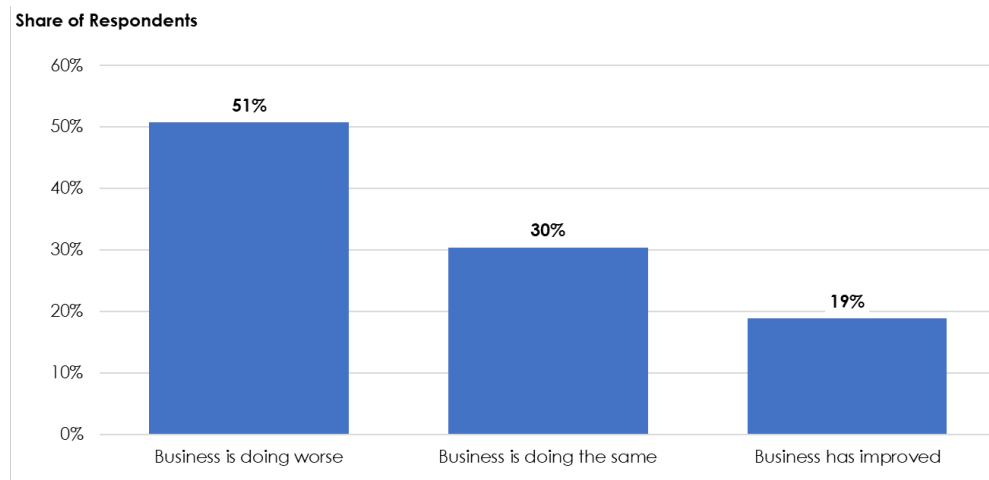
Business Conditions and Needs

In the summer of 2022, the Port of Seattle conducted a survey of small businesses across the region. Seventy (70) surveyed business owners came from the cities of Bellevue, Issaquah, Kirkland, Redmond, and Renton. Among these respondents, more than 50% indicated their business is doing worse than a year ago, while only 19% indicated their business conditions had improved over the same period (**Exhibit 7**).

When asked about the most pressing challenges these businesses are currently facing, roughly a quarter of all respondents indicated a lack of customers and/or a loss of business (respondents could choose all challenges that apply). Approximately 20% of respondents indicated “reduced income or unemployment,” and 14% indicated an inability to find employees. Less than 7% of respondents indicated “access to technology” was a key challenge (**Exhibit 8**).

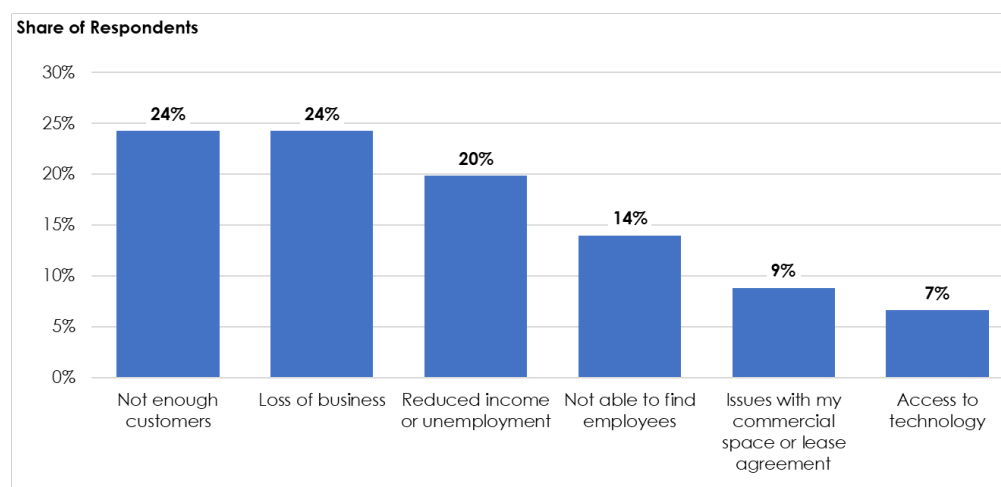
Businesses were then asked about the kinds of support needed (**Exhibit 9**). The most identified need was for applying for financial assistance or capital (24%), followed by support for increased sales (21%), ways to increase marketing or advertising (16%), administrative support (12%), and business planning and strategy (9%).

Exhibit 7. Port of Seattle Regional Survey: “How is Your Business Doing Now?” (Startup425 City Respondents Only)



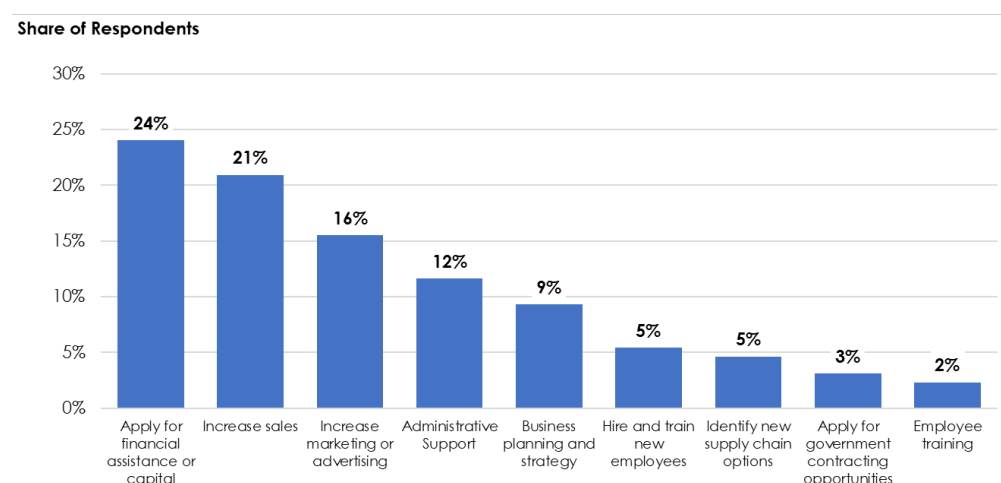
Source: Port of Seattle (2022).

Exhibit 8. Port of Seattle Regional Survey: “Is Your Business Experiencing Any of the Challenges Listed Below? Check All That Apply” (Startup425 City Respondents Only)



Source: Port of Seattle (2022).

Exhibit 9. Port of Seattle Regional Survey: “In the Next Six (6) Months, What Type of Help Do You Need the Most?” (Startup425 City Respondents Only)



Source: Port of Seattle (2022).

EXAMPLES OF BEST PRACTICES AND LESSONS IN SUPPORTING ENTREPRENEURS AND SMALL BUSINESSES

We looked outside the Seattle area to identify examples of high performing organizations and best practices supporting startups and small businesses. We examined several programs for best practices that could be applied to Startup425. This research entailed online research, reports, and interviews with program leadership and staff. In-depth interviews were conducted with the following organizations:

- Launch SA, a San Antonio startup and small business support public-private partnership.
- University of Texas San Antonio Small Business Development Center (UTSA SBDC).
- Prosper Portland, the economic and urban development agency for the City of Portland.

Best Practices

Our research surfaced the following best practices that are applicable to Startup425.

Be industry specific.

According to our discussion with Launch SA, programs designed around a specific industry tend to have better participant retention and impact. It is also easier to develop and deploy a coherent program and curriculum.

For one-one-one support, hone being a generalist.

When engaging with new clients, focus on how best direct them to the right resources, with a focus on government agencies to refer them to for specific regulatory, tax, and administrative issues, e.g., obtaining a permit.

Networks and relationships are essential.

Our conversation with UTSA SBDC highlighted the essential role and benefits of forming strong, collaborative relationships with the regional cities, economic development organizations, chambers, trade associations, and lending institutions. Banks and credit unions are oftentimes early touchpoints for aspiring entrepreneurs. The UTSA SBDC has been very successful in leveraging these relationships to generate new leads.

Vetting the idea is an underserved yet high demand need.

We heard from multiple sources the need among entrepreneurs to practice pitching their business idea and have it vetted by third parties. This kind of feedback—for example, where there are gaps; how to finetune their pitch; whether, from the viewpoint of a business owner or early-stage funder, the idea has real prospects and merit—is critical to small businesses and in high demand.

Recruit instructors who are active in their industries.

Based on their own experience, Launch SA has found greater success and impact recruiting active entrepreneurs and business leaders. This ensures content delivered is current, while also fostering networking between aspiring entrepreneurs and those actively running businesses.

Help ease the decision-making process for starting a business.

Sometimes the best conclusion for an aspiring entrepreneur is to **not** leave their current employment and start a new business, or at least until they've made more progress with their business plan and fundamentals. While hard

to measure and track, this is nonetheless an important (if underappreciated) outcome.

Have a system for efficiently engaging with and learning the needs of walk-ins.

Launch SA has a simple, systemized set of questions they ask any individual who comes through their door. These include the industry they're in (or aspire to be in), and demographic and background information.

Develop a referrals system among complimentary service providers and CBOs.

Prosper Portland has made significant strides in developing and deploying a referrals system, both internally among Prosper Portland technical advisors and with the broader network of community-based organizations. Under this model, Prosper Portland operates as a central hub, with each contracted partner organization determining the need(s) of businesses they engage with and referring them to the right organization or individual(s) through a network of professional service providers and advisors managed by Prosper Portland.

RECOMMENDATIONS

Based on the analysis presented in this report, we have developed six recommendations for the five cities participating in the interlocal agreement to consider for Startup425. The below recommendations are presented as options, and some of these directions for the program are not mutually exclusive. Recommendations are informed by best practices, local stakeholder interviews, and identified gaps and challenges in the current ecosystem.

These options are in response to the following questions: WHO should be the target audience of support, WHAT should be the service or value proposition offered through Startup425, and HOW should these offerings be delivered.

Recommendation #1 [WHO]: Focus on supporting: 1) immigrant-owned business owners; and 2) startups and underserved business owners outside the tech sector. Design content to meet these needs.

The pandemic exposed many ongoing challenges and unmet needs for existing, incumbent small businesses, particularly for minority, women, and/or immigrant-owned businesses. These firms are not startups but create economic value and wealth and are important pillars of the regional economy. During the pandemic, Startup425 was highly responsive to these needs of the businesses, including development and delivery of programs in partnership with Business Impact NW. Despite having "startup" in its title, Startup425 should sustain and expand its focus to support existing small businesses across the five-city region.

In addition, however, the program should continue to focus on providing critical, foundational information and support for entrepreneurs seeking to start their own companies. This support should focus more on industries aside from tech, since the latter is already well-served by a robust ecosystem of services and resources in the region.

- As part of these efforts, following the example of the University of Texas San Antonio SBDC, **Startup425 should collaborate with lending institutions, investment firms, and chambers to broaden the recruitment and pipeline of participants.** These organizations are oftentimes early “touchpoints” for entrepreneurs. Lending institutions and investment firms (e.g., angel capital, seed capital) often interact with aspiring entrepreneurs who may need additional training on the foundations of starting a business before being ready to raise capital.

Recommendation #2 [WHAT]: Focus on industry specific content, e.g., multi-session modules focused on retail, restaurants, and other sectors that are still recovering from the pandemic.

Develop multi-session modules that are industry specific. Based on the experience of Launch SA, having a shared industry theme enhances the impact of the program, while also fostering networking among participants. One of the key successes of the Innovation Lab, a Startup425 program run in partnership with Bellevue College, was the creation and fomenting of strong networking relationships within each cohort and the alumni network.

Development of industry-specific modules does not need to be as resource-intensive as those developed for the Innovation Lab. For example, Launch SA has organized happy hour events, where aspiring entrepreneurs can pitch their ideas to business owners for feedback. A possible model for these modules could be weekly or biweekly workshops at the local library where participants can interface and ask questions to active entrepreneurs.

- As part of this focus, **Startup425 should recruit entrepreneurs actively involved in running a business, to augment SCORE instruction.** These business owners bring real life stories and relevant, current content, and can share their experiences and lessons with participants.

Recommendation #3 [WHAT]: Develop program content specific to starting a business and associated tax, legal, and regulatory requirements in each city.

Startup425 is uniquely positioned as the only organization whose mission is directly aligned with the five-city region. Each city in the region has its own unique set of tax, regulatory, and licensing requirements. Startup425 should

develop an instruction module that helps participants understand the detailed requirements of opening or expanding a business in each city.

Recommendation #4 [HOW]: Transition back to in-person programs at the local library.

Startup425 online webinars have not performed well during the pandemic, with very low attendance. Moreover, many of the prospective participants—existing business owners and aspiring entrepreneurs, particularly in the immigrant community—continue to face digital barriers that may preclude them from participating.

The libraries are a unique asset for small businesses and entrepreneurs, including the rich collection of business resources available at each facility. It is also oftentimes easier for participants to ask questions or to approach instructors afterwards for follow-up in an in-person setting. Startup425 programs should return to the in-person model, though continue to post content from these programs, such as PPTs, on its website.

Recommendation #5 [HOW]: Transfer Startup425 funds and resources to OneEastside SPARK.

The five-city ILA should leverage OneEastside's infrastructure, capacity, and mission to coordinate and deploy startup and small business support workshops and programs. OneEastside SPARK is well-positioned to assume many of these efforts, including staff, online content, and close partnership with the SBDC. OneEastside SPARK was also recently awarded a Port of Seattle and Seattle Metropolitan Chamber of Commerce Community Business Connector grant. In this role, it will work to provide access to available business resources to help businesses sustain and grow their operations. Referrals to lenders, SBDCs, and other resources is an important element of this work.

Transitioning Startup425 programs to OneEastside SPARK is also consistent with the original strategic goal of transitioning the program from government-led to a nonprofit.

Recommendation #6 [HOW]: Develop regular, systematic surveys and case studies on Startup425 performance and areas of improvement.

Measuring the success of a startup and small business support program is not an easy task. The outcomes of this type of support can be difficult to define, measure, and empirically observe. Moreover, as is the case with many economic development programs, determining the degree of attribution from a program intervention, such as the jobs created or attributable to a business support program, is often elusive.

Nonetheless, there are ways to track the performance of a program that, while not meeting the highest scientific standard, do track and convey value.

These include consistent, regular feedback from participants on the quality of relevance of program content and qualitative narratives that illustrate the successes, and challenges, of the program. We recommend the following course of action moving forward:

- **Participant surveys.** At the conclusion of each in-person seminar or seminar course, a short, succinct survey to each participant soliciting their feedback on quality of instruction, relevance of content, whether they plan to proceed with starting a business, whether their specific needs were satisfied, whether they plan to follow-up for more detailed assistance, e.g., SCORE one-on-one advisory support, and the kinds of information and support they will seek next.
- **Interviews and case studies.** Each year, conduct 4-5 more in-depth interviews with past participants to learn about their experiences starting or growing their business and the met and unmet needs from the program.

APPENDIX

Appendix A. Interviewees

Name	Affiliation	Category
Serephie Allen	City of Redmond	Partner City
Robbin Block	BlockBeta	SCORE
Jesse Canedo	City of Bellevue	Partner City
Jen Davis Hayes	City of Issaquah	Partner City
Stephan Erickson	Past Foundations participant	Program Participant
Corbin Hart	City of Bellevue	Partner City
Kristina Hudson	OneRedmond	ED Organization
Ashis Joshi	City of Bellevue	Partner City
Domonique Juleon	Business Impact NW	ED Organization
Jessie Kotarski	City of Renton	Partner City
Debbie Lacey	Eastside for All	Nonprofit
Leslie Lum	Bellevue College	Program Partner
Duncan Mallory	Startup425	Program Manager, Retired
Philly Marsh	City of Redmond	Partner City
Morgan Masterman	Prosper Portland	
Dave McFadden	Port of Seattle	Program Partner
Ellen Miller Wolf	Startup425	Program Manager, Retired
Shawn Palmer	SBDC	ED Organization
Judith Parquette	Bellevue College	Program Partner
Samatha Paxton	OneEastside	ED Organization
Sam Rodriguez	BizDiversity	CBO
Ryan Salts	Launch SA	Outside Organization/Case Study
Margo Shriroyama	OneEastside	ED Organization
Richard Sifuentes	University of Texas San Antonio SBDC	Outside Organization/Case Study
Robert Smith	Prosper Portland	Outside Organization/Case Study
Annie Tran	Port of Seattle	Program Partner
Dean Van Dyke	Pillars Group	Program Manager
Lori Wada	Korean American Resource Center	CBO

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Appendix B. Examples of Other Nonprofit Organizations Providing Support Services Available to Eastside Small Businesses and Entrepreneurs

As part of our research for this project, we examined the missions, resources, and targeted audiences of a panoply of existing nonprofit programs serving small businesses and entrepreneurs on the Eastside. Below we summary these programs.

OneEastside SPARK

OneEastside SPARK coordinates regional partners to maximize resources and focus on small business and nonprofit recovery and resiliency. They provide responsive programing and tools to address key areas of need amongst organizations in East King County as they evolve.

East King County was the first COVID-19 epicenter in the nation OneRedmond quickly scaled its OneEastside program to assist as many small businesses as possible. OneEastside SPARK continues this recovery work while expanding resiliency building efforts in collaboration with East King County's 23 cities and towns; chambers of commerce; higher education; non-profits, and state and county government. OneEastside SPARK works with SBDC SCORE to connect small businesses with SCORE experts and mentors across a wide range of needs.

Programs Offered:

- Business advising.
- Small business mentoring with SCORE.

Target Beneficiaries

Small businesses, microenterprises, and entrepreneurs.

Small Business Development Center—Redmond

Small business advisory services provided through the Washington Small Business Development Center (SBDC) network, in partnership with OneRedmond. The program is a public-private partnership, funded by the SBDC/U.S. Small Business Administration and OneRedmond.

The SBDC small business advisor offers one-on-one counseling with local businesses and entrepreneurs. Writing a business plan. Making connections with lenders, etc. Working with businesses to develop human resources plans and policies, developing leadership cultures. Support small business clients get to a certain level. Able to leverage the entire statewide SBDC advisor network to connect clients with SBDC subject matter experts. The program is limited to U.S. citizens, so is not available to immigrant business owners who are not U.S. citizens.

Target Beneficiaries

Small businesses, microenterprises, and entrepreneurs.

Bighug-Korean American Resource Center (KARC)

The Bighug-Korean American Resource Center (KARC) is a nonprofit organization founded in 2020 to empower and promote the welfare of Korean descendants and their relatives in Washington state. The organization brings together a community of trusted messengers and board members and a dedicated network of community-based organizations that has earned respect and confidence from the Korean community.

The KARC helps Korean small business owners learn about various state, local, and financial resources available for their unique business situations. KARC operates a technical assistance call center and manages and updates a business and resource directory.

Targeted Beneficiaries

Korean business owners who are not proficient in English as a second language, have low digital literacy, and/or limited awareness and understanding of available small business economic resiliency resources.

SCORE

SCORE is a national network of volunteer expert business mentors. SCORE, the nation's largest network of volunteer expert business mentors, is dedicated to helping small businesses get off the ground, grow and achieve their goals. Since 1964, they have provided education and mentorship to more than 11 million entrepreneurs. The program is funded in part by the U.S. Small Business Administration.

Free 1:1 confidential mentoring, webinars on topics from starting a business to marketing and finance, small business resilience, etc. Offers online resource library. Works closely with Washington SBDC network. SCORE mentors frequently have particular areas of expertise (business counseling, as compared to non-profit organization counseling).

Target Beneficiaries

Pre-venture, entrepreneurs, new businesses, established small businesses.

Communities Rise

Communities Rise provides small business legal assistance, including: business entity formation (LLC/PLLC, sole proprietor, partnership, c-corporation, social purpose corporation); drafting agreements (shareholder agreements, operating agreements); advice on corporate governance; maintenance and compliance with state and federal law; taxes (advice regarding federal, state, and local taxes); contracts (drafting and advising on business contracts); employment (preparing, reviewing and revising personnel policies, independent contractor agreements, vendor agreements, employment contracts, and confidentiality agreements); real estate (drafting or reviewing property leases and purchase and sale agreements); intellectual property (assistance with registering trademarks, and advising on copyright protection, license agreements, or website-related agreements—but not for

patent matters); and risk and liability assessment (waiver and release forms, and advice on insurance coverage).

Microenterprise/Small Business Legal Services

The Small Business Legal Clinic is for low-income Washington state business owners who have short questions for an attorney. Our clinics are staffed by volunteer attorneys and designed for questions that can be answered in the 60 minutes the clinic provides. In partnership with Ventures, volunteer lawyers give free legal advice to small business owners at our monthly Small Business Legal Clinics. Provides legal assistance on a business or organizational matter

Clinics are staffed by volunteer attorneys and designed for questions that can be answered in the 60 minutes the clinic provides. In partnership with Ventures, volunteer lawyers give free legal advice to small business owners at our monthly Small Business Legal Clinics.

They also have conducted legal clinics for small businesses navigating COVID, which have been offered through the King County Library System

Target Beneficiaries

Washington state-registered businesses that are unable to pay for legal fees "without significant impairment to operations" and whose owner's household income is below 80% of the King County HUD guidelines (all owners must qualify if more than one).

University of Washington—Entrepreneurial Law Clinic

Clinic serving entrepreneurs throughout the Pacific Northwest that teams law and business students with pro bono attorneys and business advisors. Together they provide critical early stage legal and business counseling to small business owners, technology entrepreneurs, social entrepreneurs, nonprofits and University of Washington and Institute for Translational Health Sciences faculty researchers. The ELC also partners with CoMotion, Life Science Washington and various community organizations to give presentations on various topics of interest to startups that are open to the public.

The ELC is a transactional and counseling clinic. Its services center on providing startups with a comprehensive "legal and business audit" that will help them identify issues before they become serious problems. It provides startups with a confidential report, generally at the end of the academic quarter. This report will also provide guidance on how to proceed to remedy potential problems and/or establish systems to limit or prevent standard business formation and growth pitfalls. ELC's standard representation includes a commitment only to this audit process.

Upon mutual written agreement between the startup and ELC, the ELC may extend its representation to assist in basic entrepreneurship-focused legal service, such as:

- Forming a corporation, limited liability company (LLC) or other legal business entity as appropriate.
- Filing simple intellectual property (IP) documents such as provisional patent applications, copyright registrations and trademark registration applications.
- Reviewing, negotiating and/or drafting contracts such as commercial leases and loans, vendor agreements, services agreements, or employment agreements.
- Assisting in compliance with state and local business licenses and taxes
- Drafting and execution of trademark and copyright registrations, provisional patent applications and licensing or assignment agreements
- IP counseling regarding branding, copyrights, trademarks, trade secrets, freedom to operate, unfair competition, antitrust, publicity rights and privacy rights. The ELC is part of the USPTO Law School Clinic Certification Program in both patents and trademarks.

Target Beneficiaries

Small businesses, startup entrepreneurs, nonprofits, social entrepreneurs.

Northwest Justice Project

Northwest Justice Project (NJP) is Washington's largest publicly funded legal aid program. Each year NJP provides critical civil legal assistance and representation to thousands of low-income people in cases affecting basic human needs such as family safety and security, housing preservation, protection of income, access to health care, education, and other basic needs.

NJP operates a toll-free intake and referral hotline called CLEAR (Coordinated Legal Education Advice and Referral). CLEAR serves as the statewide, centralized point of access for clients seeking free legal help, including advice, education, limited legal services, self-help materials and, where available, referrals to other legal aid and local volunteer lawyer programs. CLEAR also refers cases to NJP offices around the state, where attorneys provide assistance and direct representation in high priority, complex cases, including cases that address barriers to accessing our justice system as well as engage in community education efforts.

NJP maintains Washington LawHelp, a public website containing an extensive library of legal resources and self-help materials including do-it-yourself court forms in areas of law needed most by low-income persons, the great majority of whom are forced to appear in court unrepresented. In addition, NJP is an integral member of and provides support for the Alliance for Equal Justice, Washington's coordinated statewide civil legal aid delivery system, which brings together a network of volunteer attorney programs, specialty legal aid providers, and supporters working to ensure equal justice for all low-income communities in Washington.

Consistent with NJP's commitment to combat injustice by improving access to our civil justice system, all NJP facilities are accessible. NJP provides language and sign interpreters for persons needing assistance to access our services. As a statewide organization whose staff, Board and clients are diverse in background, experience, culture, and other qualities, NJP is also committed to a policy of equal opportunity and fosters a mutually respectful environment free of barriers and discriminatory practices in all its activities. NJP works to ensure its commitment to basic fairness by adherence to NJP's Guiding Principles.

Target Beneficiaries

Small businesses are not the primary target recipient, but small business owners may qualify for these services.

Business Impact NW

Business Impact NW is a nonprofit Community Development Financial Institution (CDFI) dedicated to serving underbanked entrepreneurs. They provide coaching, classes, and access to capital to community small businesses, with an emphasis on working with traditionally underserved populations – entrepreneurial low/moderate income earners, women, BIPOC, veterans, immigrants, or members of the LGBTQ+ community.

Business Impact NW's objective is to provide financial and technical support to entrepreneurs in economically marginalized communities who would not otherwise have access to financial services. Their lending guidelines are more flexible than traditional banks because of our community impact mission. Business Impact NW can take risks on underserved small businesses to achieve this mission.

The Food Business Resource Center (FBRC)

One-stop-shop for Washington state food entrepreneurs to access skills, resources, networks, and marketplace opportunities needed to start, run, and grow a successful food-related business. Works with many partner organizations, including farmers groups, kitchen incubators, regional food system initiatives, public agencies, eaters, and other businesses throughout the state. Programs include:

- King County Farm Business Support and Technical Assistance Program.
- One-on-one business coaching.
- Farmer Finance—On-Demand Series.
- "Ready to Sell" Farm E-Commerce—on demand.
- Packaged Foods On-Demand Online Course.

One-on-One Business Coaching

Free one-on-one business coaching for all aspiring, new, and established business owners who come to us. Program provides tools and resources needed to successfully run a business. Business coaching sessions can be

held in-person, over the phone, or via video conferencing. Coaching help may include:

- Navigating the startup process.
- Creating a business plan and financials.
- Funding options unique to individual/business circumstances.
- Drafting loan packages and presentation for potential lenders and investors.
- Identifying new growth opportunities in existing business.
- Managing business profitability.
- Discovering additional learning opportunities.
- Connecting to community resources.

Small Business Loan

Loans ranging from \$5,000 to \$350,000. Criteria based on the 5 C's of Financing. Approximately 99% of their clients are business owners who are ineligible for commercial bank loans at this time, i.e., they've been turned down by a bank, but still have the capacity to meet the "5C's" criteria. Their average interest rate is 9.5%. While higher than some banks, they take risks that most banks won't.

Loans can be used for the following:

- Equipment
- Inventory
- Working capital
- Commercial real estate
- Furniture & fixtures
- Debt restructuring
- Contract mobilization
- Contractor receivables

Target Beneficiaries

Women, veterans, BIPOC, immigrants, LGBTQ+, disabled, and other traditionally underbanked entrepreneurs.

Tabor 100—Tabor Economic Development Hub

Tabor 100 is a nonprofit community organization that works to achieve economic empowerment and social equity for African Americans and the community at large. It supports Black-owned businesses and entrepreneurs by connecting them with resources and advocating for minority business interests. While focusing on Black-owned businesses, Tabor serves persons from all ethnic backgrounds.

The Tabor Economic Development Hub, located in Tukwila, opened in January 2021 and is a first-in-the-nation center offering collaborative workspaces, mentoring services, high-quality training, and a service bureau featuring low-cost, hands-on, back-office functions, including accounting, billing & invoicing, marketing, data entry, and technical writing.

Target Beneficiaries

Black-owned businesses and entrepreneurs in the Greater Seattle region.

Ventures

Ventures is a Seattle-based nonprofit that empowers aspiring entrepreneurs across the region with limited resources and unlimited potential. It provides access to business training, capital, coaching, and hands-on learning opportunities for entrepreneurs. It serves those in the community for whom traditional business development services are out of reach, with a focus on women, people of color, immigrants, and individuals with low income. Ventures' ultimate goal is to support individuals to increase their income potential, achieve long-term financial stability, provide for their families, and enrich their communities through small business ownership.

Business Basics and Related Courses

Business Basics is an eight-week course in which participants meet three hours weekly with peers and business coaches to learn how to take steps towards making business dreams a reality. The course covers the basics of business marketing, sales, financial management, and operations, and participants will complete a business feasibility plan.

The eligibility of businesses to participate is based on a threshold based on total household income, in order to ensure focus on Ventures' target clientele of low-income households (income levels are specified on Ventures' website). This course is a prerequisite to accessing all specialized services offered by Ventures, including other business courses, loans, incubators, and coaching.

Legal Clinic

Ventures partners with Communities Rise to host free monthly legal clinics for Ventures' entrepreneurs who are enrolled in its specialized services programs. See above section on Communities Rise for more information

Target Beneficiaries

Entrepreneurs and small businesses, with focus on women and BIPOC-owners from low-income households. Must be an existing client of Ventures to participate.

Business Incubator and Related Services

Ventures offers its client businesses multiple incubator, market, and retail opportunities. The business directory offers online business-to-business marketing opportunities.

Incubator and Retail Store

The Ventures Marketplace at Pike Place Market in Seattle offers client businesses opportunities to test and improve their handcrafted product lines, gain experience meeting product inventory demands, and generate revenue through product sales in a high-profile location visited by millions of people

each year. The Incubator also provides coaching to participating businesses. (Note: There are no fees to join the retail store, but Ventures does have a 50% consignment rate.)

Commercial Kitchen

Ventures partners with Seattle Commissary Kitchen to offer graduates of its programs affordable kitchen space located in Seattle. Participating businesses can use the kitchen for up to one year through this partnership, after which they are required to form their own contract with the kitchen.

Marketing Course

Ventures' marketing courses are designed to help entrepreneurs and small businesses build their brand, identify their target market, and select marketing strategies to reach customers, as well as create a robust digital marketing strategy for their business. Each class will contain a mix of instruction and time to work with coaches and peers on activities related to each class topic. Outcomes include a completed marketing plan, profile in Ventures Business Directory, and a community of peer and professional support. Cost is based on a sliding scale based on income.

Operations Course

Ventures' operations courses are designed to help entrepreneurs and small businesses manage their time, processes, people, and products in the most efficient way possible. Course topics include developing an operations plan; managing time and workflow; quality control and sourcing; managing vendors, partners, and advisors; creating smooth HR processes; setting priorities and goals; managing products and inventory. Each class will contain a mix of instruction and time to work with coaches and peers on activities related to each class topic. Outcomes include a completed operations plan, profile in Ventures Business Directory, and a community of peer and professional support. Cost is based on a sliding scale based on income.

Advocacy Services

Ventures offers coaching, training, and advocacy support to its client microbusinesses to navigate regulations, permits, and other legal considerations.

Resources

Coaching to navigate regulatory processes, and to potentially change the systemic factors that affect their businesses.

Leadership training workshops

Policy advocacy, together with grassroots civic engagement to encourage their small business clients to educate their elected officials on key issues impacting businesses.

Target Beneficiaries

Startup businesses, and businesses that have been in operation and making sales for more than one year. Entrepreneurs and small businesses of owners from low-income households, with particular focus on women and BIPOC business owners.

Peer Loan Program

Ventures provides access to capital through its loans and savings programs, which are paired with financial management and literacy courses and workshops. The program offers small business loans of up to \$2000 for startups, and up to \$3500 for small businesses in operation and making sales for at least 1 year, that do not require personal collateral or a good credit score to apply. The interest rate is 7.25% for a first-time loan; after successful repayment, the rate is reduced by .25% for every subsequent loan. Eligible uses include startup expenses, marketing materials, supply and inventory, equipment, and other approved expenses. The program relies on Peer Loan Cohorts.

Target Beneficiaries

Startup businesses, and businesses that have been in operation and making sales for more than one year.

Traditional Business Loans

Small business loans of up to \$10,000 for a startup with less than two years of sales history; and between \$10,000 and \$35,000 for businesses with at least two years of sales history. Loans above \$35,000 may be considered on a case-by-case basis. Interest rates are 7.25% for a first-time loan, and if a loan is paid in full and on-time, interest rates for subsequent loans decrease by 0.25%. Loan terms vary between 6 months to 6 years and depend on their use. Business must be graduates of Ventures' Business Basics Course to apply for these loans, and to have met with a Ventures Business Coach and enrolled in Specialized Services (additional loan requirements listed on the website). Eligible uses include start-up expenses, marketing materials, supply and inventory, equipment, and other approved expenses.

Credit Building Loans

Ventures offers Credit Building Loans and credit counseling for people who have a thin credit file (three or fewer lines of credit) or for people who want to build or improve their credit. All loan recipients receive credit counseling, including three appointments with a Business Coach to discuss credit goals and take steps to improve credit. Eligible uses include startup expenses, equipment, inventory, marketing materials.

Coaching and specialized workshops

Free, customized 1:1 business coaching and support.

Target Beneficiaries

Entrepreneurs and small business owners from low-income households (\$66,700 annual income for a household of one, to \$125,750 for a household of eight).

Seattle Business Education Hub

The Seattle Business Education Hub (SBEHUB) is a nonprofit organization whose mission is to enable and empower micro and small entrepreneurs who are economically and socially disadvantaged through business technical assistance, coaching, and mentoring while assisting owners in creating livable-wage jobs, protecting their assets, developing equity, and building a legacy for future generations.

The organization focuses on culturally competent training and environment, supporting upward mobility for low-income families from government assistance to entrepreneurship or higher skilled positions, and teaching youth and young adults to think and act as entrepreneurs and providing them with the mentorship and capital resources to start their own businesses.

Their courses and training curriculum include technical assistance; access to the capital, networks, and free available government resources; and financial literacy.

Targeted Beneficiaries

150 individuals and entrepreneurs each year, with a focus on micro and small entrepreneurs who are economically and socially disadvantaged.

Indian American Community Services

The Indian American Community Services (IACS) formerly known as India Association of Western Washington (IAWW), is the longest-serving Indian community-based nonprofit organization in the Pacific Northwest. Secular and volunteer-driven, the IACS works to connect and empower the Asian-Indian community through programs, services, and advocacy for people of all ages and all life stages.

IACS connects small business clients with community and other resources to support their needs. This includes helping business owners navigating city, state, federal, and private economic relief programs related to COVID-19 and assisting in accessing opportunities and resources available for support including grants, loans, mentoring opportunities and workshops to help empower businesses. They also offer emergency financial support and mentoring for those struggling to keep a small business open or launching a new business. Resources and assistance are available in multiple languages.

Legal Services

IACS offers free, 30- to 60-minute consultations with an attorney, in person or virtually, for limited civil legal advice and to provide referrals to individuals, seniors, and families in need of immigration, family law, estate,

guardianship, and other issues. Includes help answering papers, summons, and requests, but does not include representation in court. Offered in collaboration with American Immigration Lawyers Association (WA).

Target Beneficiaries

Members of the Indian American community, but accessible regardless of income, education, language, or disability.

Muslim Association of Puget Sound (MAPS) Muslim Community Resource Center (MCRC)—Legal Clinics

Offers free bi-monthly, 30-minute session legal clinics (currently offered online only due to COVID restrictions) including on business contracts, employment law, and estate planning.

Target Beneficiaries

Business owners in the Muslim community but provides services to everyone.

Good Food Kitchens

Good Food Kitchens is a food assistance, economic development, and local food resilience program serving King County. Good Food Kitchens provides funds directly to restaurants to prepare meals for those in need, helping to keep their doors open and workers employed safely, while purchasing from local farms and producers and creating long-term local supply chain relationships. Funding is available to prepare meals for people in need, and to purchase from local farms and producers.

Seattle Good Business Network—Washington Materials Marketplace

The Washington Materials Marketplace is a nonprofit online platform that aims to create a closed-loop, collaborative network of businesses, organizations and entrepreneurs where hard-to-recycle waste and by-products become another organization's raw material. This new online tool is available at no cost to any company or organization in Washington. In addition to diverting waste from the landfill, these recovery activities will generate cost and energy savings, reduce carbon emissions, and create new jobs and business opportunities in Washington.

Target Beneficiaries

Small businesses and entrepreneurs looking to implement sustainable practices.

Greater Seattle Business Alliance (GSBA)

GSBA is a regional LGBTQ+ nonprofit chamber of commerce offering small business counseling services. The GSBA offers its members financial planning assistance, including access to credit and loan applications, cash flow analysis, inventory analysis, and financial planning services.

For employers, the chamber provides Labor Standards Compliance, including counseling and support on compliance with Washington Department of Labor

and Industries rules. Also offers one-on-one counseling (joint program with Seattle Ethnic Chambers of Commerce) on Seattle's labor standards ordinances. Other programs include social media marketing, workplace LGBTQ+ Competency Training; counseling on starting a new business in Washington state; and small business incubator program focused on LGBTQ+ and BIPOC businesses, which includes financial support to participate in Ventures' Business Basics Course.

Target Beneficiaries

LGBTQ+ business owners and employees.

Sister Sky Inc.

Native American-owned nonprofit organization that offers technical training and support for entrepreneurs and small businesses that help build healthy economies in Indian Country.

Target Beneficiaries

Native American-owned small business owners and entrepreneurs, and non-Native organizations that partner with and support Native American entrepreneurs.

InterConnection—Computer Grant Program

InterConnection is a nonprofit that offers a computer grant program for U.S. non-profit organizations that deliver services to underserved communities including technology training, health care, education, and job training.

The program offers grants of up to five computers (not including shipping & handling costs) for eligible U.S. 501(c)(3) organizations. There are some types of non-profits that are not eligible for these grants; a detailed list is available on InterConnection's website.

InterConnection also offers an online store with significantly discounted computers and computer equipment for sale to low-income individuals and non-profits.

Target Beneficiaries

Non-profit organizations delivering services to underserved communities.

King County Library System

Small business resources are available through the King County Library System. Customized lists of resources and information on financial support for small businesses (requires submission of form). Extensive on-line resources for small businesses, including small business how-to, market research, technology training (Microsoft Office Suite, LinkedIn), finance, and capital.

KCLS partners with SCORE to offer 1:1 business counseling (currently online); businesses can sign up on the Library system website. The KCLS

also partnered with Startup425 to host the in-person Foundations series before the pandemic.

Offers computer and online training, including a Digital Navigator program who can help clients find low-cost options for a new computer or better internet access at home. Also offer computers that clients can use, available on a reservation basis.

Target Beneficiaries

Small businesses, microenterprises, and entrepreneurs.

Bellevue College—Tombolo Institute

Bellevue College's adult education and upskilling program. Conducts Innovation Lab in partnership with Startup 425, and with Business Impact NW to help program participants become loan-ready and apply for loans. Startup 425 funds the \$1000 tuition cost for selected course participants.

Target Beneficiaries

Small businesses, including startups looking to launch and expand their business.

Go Redmond

Commuter incentive program encouraging Redmond residents and businesses to utilize public transportation resources. These include teleworking grants for small businesses to subscribe to videoconferencing or team collaboration services. They also offer grants for bike racks and pedestrian barriers for businesses with outdoor seating, and commuter grants and funding for Redmond businesses.

Teleworking grants are available to assist business obtain a 1-year subscription to a videoconferencing or team collaboration service. The program offers bike rack grants, pedestrian barriers at outdoor seating restaurants, commuter grants and funding for Redmond businesses.

- 100 employees – Max of \$5000 at 100% funding during year 1; \$2500 at 50% funding in year 2
- >100 employees – Max of \$5000 at 100% funding during year 1, then 50% match to max of \$50,000.
- Orca \$25 bus passes, vanpool incentives, rewards etc. for commuters.

Target Beneficiaries

Small businesses, including those needing support for telework and remote office operations, and those that would benefit from infrastructure encouraging employees and customers to commute by public transportation or bicycle.

Seattle Chamber of Commerce – BIPOC-Owned Business Accelerator

Partnership between the Seattle Chamber of Commerce and Business Impact NW to pilot (starting in Fall 2021) a new Business Accelerator Plus program for BIPOC business owners focusing on training and mentorship, access to

capital, and business opportunities/corporate connections. Based on the success of this pilot, the Seattle Chamber may scale up the program.

Target Beneficiaries

BIPOC-owned small businesses (inclusive of greater Seattle Metro region).

Tabor 100: Black Business Enterprise Fund

A nonprofit cash grant program (planned, not yet in operation) to support Black-owned businesses during the pandemic. The fund will also support training, technical assistance, programming, and building organizational capacity for Tabor 100 and the Tabor Economic Development Hub located in Tukwila.

Tabor 100 is a nonprofit community organization that works to achieve economic empowerment and social equity for African Americans and the community at large. It supports Black-owned businesses and entrepreneurs by connecting them with resources and advocating for minority business interests. While focusing on Black-owned businesses, Tabor serves persons from all ethnic backgrounds.

The grant program will mirror the Working Washington Small Business Emergency Grant program in terms of eligibility criteria, the application process, and the structure of the cash grant program. Recipients will be able to use funding to pay for rent, utility bills, supplies, inventory, and other operating expenses for their businesses.

Target Beneficiaries

Black-owned businesses and entrepreneurs in the Greater Seattle region.

MAPS-MCRC COVID-19 Relief Fund and Zakat/Sadaqqa Funds

A COVID-19 Relief Fund distributed to those in need by MAPS-MCRC and MAPS AISadaqa (with support from City of Kirkland, Seattle Foundation, Islamic Center of Eastside, and the Church of Jesus Christ of Latter-Day Saints). Al-Sadaqqa: Funds set aside by individual mosques to help with emergency assistance for families in need. MAPS-MCRC does not itself provide financial assistance but connects people in need with other organizations that provide those funds.

Target Beneficiaries

Small businesses, microenterprises, and entrepreneurs.

Filipino Community of Seattle—Small Business Resiliency Services

Organization serving Filipino community of the Puget Sound region; partnered in 2020 with Cambodian American Community Foundation of Washington and Washington State Department of Commerce to connect eligible businesses with resources including Commerce's emergency grant program for businesses impacted by COVID-19. Offers one-on-one business counseling and coaching on technical assistance, including virtual workshops,

and training on identifying and applying for grants and loans, online marketing and SEO. Supported Tagalog, Hmong, Khmer language speakers.

Target Beneficiaries

Small businesses, microenterprises, and entrepreneurs in the Filipino community.

American Financial Solutions—Small Business Owner Program

American Financial Solutions is a division of the North Seattle Community College Foundation, and is a nonprofit financial education, credit counseling, and debt consolidation entity. It plans to begin a pilot program for small business owner to provide financial coaching and counseling to help owners be successful and confident in growing and maintaining their businesses, including to assess growth readiness and develop financial management skills.

Target Beneficiaries

Small businesses and microenterprises

Northwest Access Fund

The Northwest Access Fund supports Washingtonians with disabilities, including businesses employing people with disabilities who would benefit from resources to support those employees. The financial assistance must be used to purchase equipment that will be owned and used by the disabled employee.

Assistive Technology Loans: These loans can be used to purchase any device that helps to improve the functioning of a person with a disability. Loans can also be used for assistive technology services such as evaluations, training, extended warranties, insurance, maintenance, and repair. Examples of assistive technology include hearing aids; lift chairs, electric beds, scooters, and wheelchairs; computers/tablets/smartphones/software; braille devices; and closed-circuit TV magnifiers. All loans offered have a 5% interest rate, with no fees. Term length varies depending on the type of loan, useful life of the technology/adaptation, and the income available to repay the loan.

Target Beneficiaries

People with disabilities, and their employers.

Business Health Trust

Comprehensive, affordable health insurance program available to small- and mid-sized businesses and nonprofits. Available to Redmond businesses through OneRedmond membership.

The trust offers comprehensive health insurance plans. Also, partners with Archbright to offer specific human resources services to BHT subscribers, including free access to Archbright's online resources (including trainings,

sample HR policies and forms, etc.) and discounted membership in Archbright for more comprehensive HR services.

Target Beneficiaries

Small businesses with two or more enrolled employees.

Archbright

Fee-based membership organization that offers human resources advice and legal counsel, including to help companies become compliant with employment laws and improve their workplaces.

HR services include an HR hotline and safety advice, online resources (sample policies and forms), employee handbook review, employment law and labor law advice, consulting services including executive coaching, etc.

Target Beneficiaries

Small businesses and nonprofit organizations.

Appendix C. Case Study: Launch SA

Background, Mission, and Structure

San Antonio's Launch SA was founded in 2014 as a public-private partnership supported by the City of San Antonio Economic Development Department, the public lending program LiftFund, and through private sponsorships. The program provides workshops and customized one-on-one support for startup entrepreneurs. The program "serves as a central location for information providing specialty programming, workshops, tailored support and resources to San Antonio entrepreneurs" (Launch SA, 2022).

A central theme in their support and seminars is to foster networking amongst and between current participants and mentor business leaders in the same or similar industries. According to Launch SA's website, the program provides "support available to enable entrepreneurs and small business owners to develop the network that will propel their forward momentum." Their curriculum is industry and community-specific (Launch SA, 2022). Importantly, Launch SA also helps individuals through the decision-making process of whether to start (or not start) a new business.

Resources

The organization has two (2) full-time staff plus a network of pro bono mentors and advisors. The Launch SA annual budget is approximately \$240,000, comprised of \$160,000 in contributions from the City of San Antonio, plus \$80,000 in matching funds received either in-kind or in the form of loan maturations. The San Antonio library system donates use of office space, but all maintenance, replacement, and repair costs are borne by the program.

Industries and Businesses Served

Launch SA will interact with any business or entrepreneur who comes through the door. However, they have developed workshops that are specific to the local economy. For example, the "Break Fast and Launch" seminar series is customized for individuals seeking to start a food service business, based on the large role of tourism and related services in the San Antonio area.

For tech startups, Launch SA typically directs these individuals to other organizations that specialize in supporting tech startups.

Services

Launch SA provides both structured workshop series and one-on-one support for anyone who comes through the door.

One-on-one support

Program staff direct individuals with specific questions related to permitting, licensing, whether and how to set-up an LLC and DBA, and other administrative and regulatory issues to appropriate state and local

government agency staff. Per conversations with the program director, Launch SA also offers direct assistance on case-by-case basis, such as helping a business build a website. But these services are not programmatic and considered one-off in nature.

Seminars and workshops

However, the primary activity of Launch SA is the development and organizing of **seminar workshops and series**. Launch SA originally used content developed by the Kauffman Foundation, but later designed their own curriculum and program structure specific to the needs of the local startup community. One example is the abovementioned “Break Fast and Launch” program, which meets three days a week for 1.5 hours each time. The program runs Each session includes a mentor who is actively involved in the food and restaurant industry, along with experts in accounting, marketing, and other core areas. Other examples include “Flight Plan,” which provides more tangible information and skills and setting up a business; “Venture Challenge,” where entrepreneurs can practice their business pitch in front of peers; and “Impulse SA,” a program designed for Spanish speakers.

Importantly, these programs do not require additional resources other than staff time.

Impact Metrics

According to Launch SA figures, the organization has engaged with more than 14,000 individual walk-ins over five years, and many additional individuals through their workshops. In 2021, staff provided 1,036 consultant hours, assisted 1,647 members, hosted 136 events, worked with 180 resource partners, and handled 1,165 phone inquiries (Launch SA, 2022).

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