



# Main Street Support for Microenterprises

Existing Assistance and Opportunities for Growth



JUNE 2021



## Acknowledgements



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Cover photo courtesy of Kent Downtown Partnership.

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## Introduction

Across Washington state, 85% of businesses are microenterprises, defined as businesses with five or fewer employees, small startup costs, and limited access to capital.<sup>1</sup> Sixty-six of Washington's towns and cities are home to Main Street Organizations, which are economic development organizations that strengthen communities through business supports, placemaking, community-building, and historic preservation. Despite the significant role that microenterprises and Main Street Organizations each play within Washington's business landscape, the intersections between the two have not previously been evaluated. This study is a first effort to understand how Main Street Organizations currently support microenterprises in Washington state and identify opportunities to strengthen this relationship.

Microenterprises play an important role in increasing equitable access to business ownership and offering opportunities for self-employment. Microentrepreneurs are more likely than owners of larger businesses to be women or Black, Indigenous, or people of color (BIPOC),<sup>2</sup> and microenterprises can provide an essential career opportunity to people who have been formerly incarcerated.<sup>3</sup> Microenterprises and microentrepreneurs also face specific challenges. Microenterprises are typically capacity-constrained due to their limited staffing and lack of access to traditional capital. As individuals, many microentrepreneurs face structural barriers associated with being owners who are women, BIPOC, or formerly incarcerated.

These patterns present an opportunity to help microenterprises through tailored supports that address the specific strengths, constraints, and challenges that are more common to microenterprises and microentrepreneurs. Such supports include credit-building support, access to right-fit capital, connections to professional networks and culturally competent resources, wraparound supports, or a trauma-informed approach to programming. Microenterprises can also benefit from supports commonly provided to larger small businesses, and it is primarily in this capacity that Main Street Organizations currently serve microenterprises. Main Street Organizations' current level of support for microenterprises is significant: 40% of the Main Street Organizations surveyed for this study serve microenterprises in at least half of their interactions with businesses. Main Street Organizations provide a range of supports to microenterprises, such as business startup workshops, storefront design services, or COVID-19 relief. Although these services are not designed to address the specific needs of microenterprises and while many Main Street Organizations also provide these services to larger small businesses, microenterprises may benefit more than their slightly larger peers due to their added constraints and challenges.

We recommend five actions for Main Street Washington to help Main Street Organizations better support microenterprises – and by extension, better support all small businesses.

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<sup>1</sup> Washington State Microenterprise Association, N.D. [Economic Development for Main Street.](#)

<sup>2</sup> McKay, Katherine Lucas. 2014. ["Achieving Financial Security through Entrepreneurship: Policies to Support Financially Vulnerable Microbusiness Owners."](#)

<sup>3</sup> Association for Enterprise Opportunity. 2020. ["Returning Citizen Entrepreneurship: Enhancing Support, Increasing Opportunities, and Deepening Success."](#)

## METHODOLOGY

This study is based in three primary methods of data collection:

1. **An online survey** distributed to all 66 Main Street Organizations in Washington state. This provided a baseline understanding of Main Street participants' existing awareness of and engagement with microenterprises.
2. **A literature review** to identify best practices for supporting microenterprises.
3. **Case studies** of six Main Street Communities. BERK interviewed directors at six Main Street Communities to understand their current awareness of microenterprises, their programs and practices that support microenterprises, and where they need support to better serve microenterprises. The study team selected case study organizations that collectively represented a broad geographic distribution across the state; range of community size; and innovative work to serve communities with higher proportions of BIPOC (Black, Indigenous, or people of color) residents.

We supplemented the above data collection by analyzing existing data from the Washington Trust for Historic Preservation (WTHP) and Washington State Microenterprise Association (WSMA), including 2020 annual data and quarterly reports from 36 Main Street Communities.

This study was made possible by funding from WSMA.

## DEFINITIONS

### *What is a Microenterprise?*

This study uses the Washington State Microenterprise Association's definition of a **microenterprise**, which includes the following three characteristics:

1. Employs 5 or fewer employees including the owner.
2. Requires under \$35,000 in startup funds.
3. Does not have access to traditional credit or other conventional funding.

According to WSMA, Washington microenterprises employ over 600,000 people and comprise 85% of businesses within the state. Nationwide, approximately 92% of businesses tracked by the US Census are microenterprises.<sup>4</sup>

This report uses the term "**microentrepreneur**" to describe the owner of a microenterprise.

Microenterprises are operated by people in many under-served groups including veterans, people who are BIPOC (Black, Indigenous, or people of color) or LGBTQ+, people with disabilities, people who have been formerly incarcerated, people in rural or tribal communities, or people with low incomes. These populations often face significant systemic barriers to traditional business success due to lack of financing, training, and business support resources.

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<sup>4</sup> Washington State Microenterprise Association, N.D. [Economic Development for Main Street](#).

### *What is a Small Business?*

The U.S. Small Business Administration primarily defines a small business by its number of employees or total annual receipts, the maximums for which vary by industry.<sup>5</sup> Maximum number of employees ranges from 100 for wholesale industries to 1,500 for industries like manufacturing or delivery services. Maximum amount for receipts ranges from \$1 million for farming and animal production industries to \$41.5 million for industries like finance or port and harbor operations.<sup>6</sup> A small business must also be for-profit; independently owned and operated; not nationally dominant in its field; and physically located and operated in the U.S. or its territories.

### *What is Washington Main Street?*

Washington Main Street is a state coordinating program of Main Street America, a national program. Managed by the Washington Trust for Historic Preservation in partnership with the Department of Archaeology & Historic Preservation, Washington Main Street helps communities revitalize the economy, appearance, and image of their downtown districts using the long-standing Main Street Approach™, a comprehensive revitalization strategy built around a community's unique heritage and attributes. There are 66 Main Street Organizations across Washington State, including 36 Main Street Communities and 30 Main Street Affiliates. See below for more detail on these two designations.

### *What are the Main Street Designations?*

Throughout this report, the term “**Main Street Organization**” refers broadly to either of the two Washington Main Street Network designation options:

1. A **Main Street Community** has committed time and training to develop community support and financial and human resources to implement the Main Street Approach™. Main Street Communities are independent nonprofit organizations dedicated solely to downtown revitalization.
2. A **Main Street Affiliate** has an interest in revitalizing its downtown or neighborhood commercial district but may not have the capacity to meet the Main Street Community requirements.

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<sup>5</sup> U.S. Small Business Administration, N.D. [Size Standards](#).

<sup>6</sup> U.S. Small Business Administration, 2019. [Table of Size Standards](#).



# Statewide Findings: Survey of Main Street Organizations

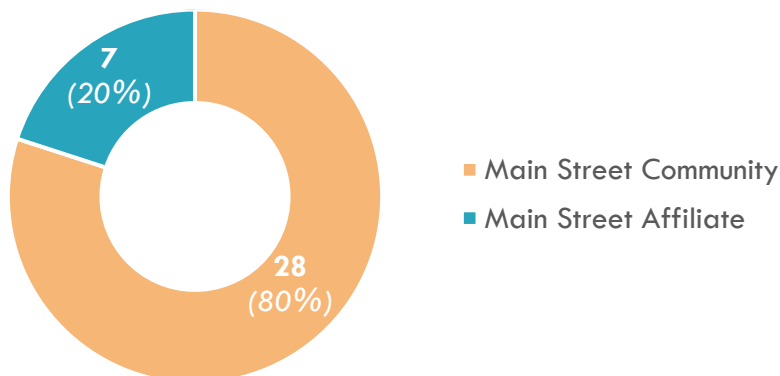
In April 2021, the study team distributed an online survey to all 66 Main Street Organizations in Washington state, and 35 organizations responded. A full list of survey respondents is available in Exhibit 15 in Appendix A: Survey Details.

The survey was intended to gather baseline information about Main Street Organizations' [understanding of microenterprises](#), the [services they offer](#) to businesses generally and microenterprises specifically, the [supports they need](#) from WTHP to better serve microenterprises, and the [information they currently gather](#) about the businesses they serve. The following pages provide a summary of the input gathered in this survey.

## SURVEY RESPONDENT OVERVIEW

As shown in Exhibit 1, four-fifths of survey respondents are Main Street Communities and the remaining one-fifth are Main Street Affiliates.

**Exhibit 1. Survey Respondents by Main Street Designation (35 Respondents)**



Source: BERK, 2021.

Survey respondents vary significantly in the number of businesses they regularly serve. Exhibit 2 shows that this number ranges from a minimum of 15 businesses to a maximum of 1,000 businesses. The middle half of survey respondents regularly engage with a more moderate range of 75 to 180 businesses.

**Exhibit 2. Number of Businesses Served by Survey Respondents (35 Respondents)**

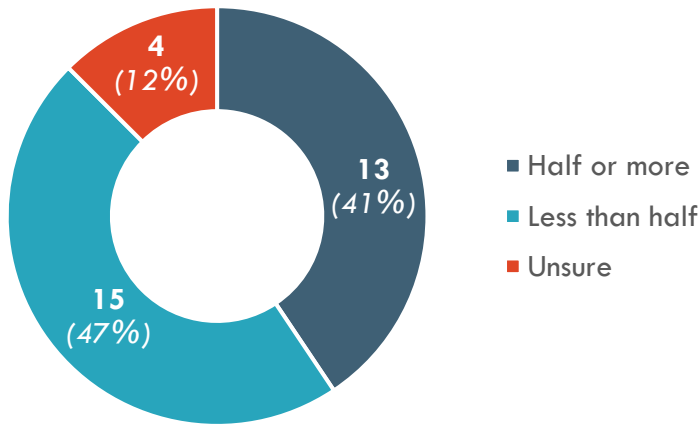
Average	Minimum	25 <sup>th</sup> Percentile	Median	75 <sup>th</sup> Percentile	Maximum
152	15	75	100	180	1,000

Source: BERK, 2021.

The survey asked respondents to consider all their interactions with businesses over the past two weeks and to identify the proportion of those businesses that were microenterprises per the definition above. Exhibit 3 shows that about 40% of survey respondents engaged with microenterprises at least half of the time, while about half of survey respondents engaged with microenterprises less than half of the time. One in eight survey respondents was unsure of which businesses they served were microenterprises.

**Exhibit 3. Respondents' Estimated Proportion of Business Interactions with Microenterprises (32 respondents)**

Survey prompt: "Think about all of your interactions – in-depth or brief – with businesses within the past 2 weeks. Approximately what proportion was with microenterprises? Skip if you don't know."



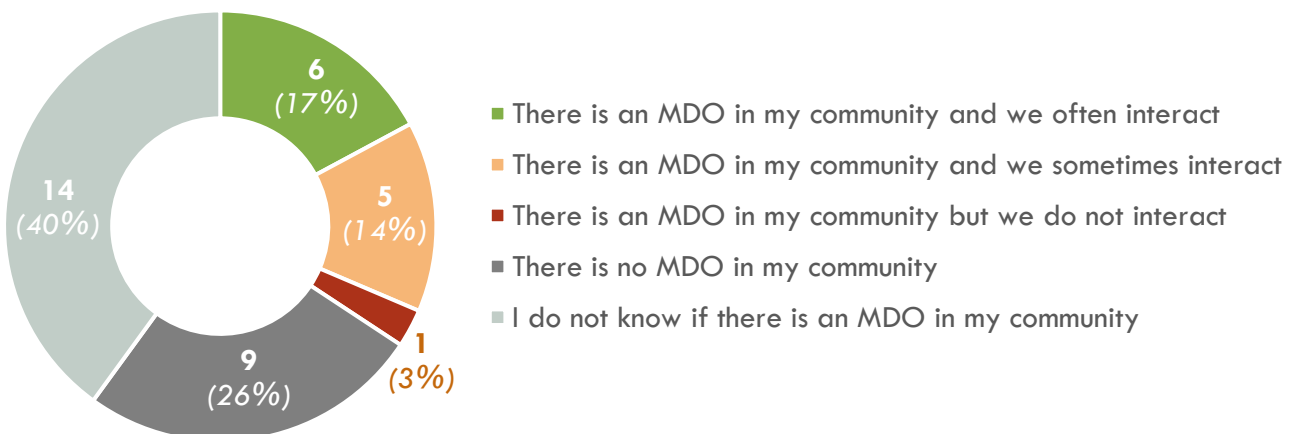
	Proportion of Interactions that are with Microenterprises											
	0%	10%	20%	30%	40%	50%	60%	70%	80%	90%	100%	Unsure
Number of Respondents	2	7	5	1	0	2	2	3	2	3	1	4
Proportion of Respondents	6%	22%	16%	3%	0%	6%	6%	9%	6%	9%	3%	13%

Source: BERK, 2021.

About one-third of survey respondents often or sometimes interacts with a Microenterprise Development Organization (MDO) in their community, as shown in Exhibit 4. Forty percent of survey respondents are unsure if there is an MDO in their community, and about one-third of respondents either do not interact with an MDO in their community or do not have an MDO in their community.

**Exhibit 4. Survey Respondents' Interactions with Microenterprise Development Organizations in their Communities (35 Respondents)**

Survey Prompt: "What relationship (if any) do you have with a Microenterprise Development Organization (MDO) in your community?"



Source: BERK, 2021.



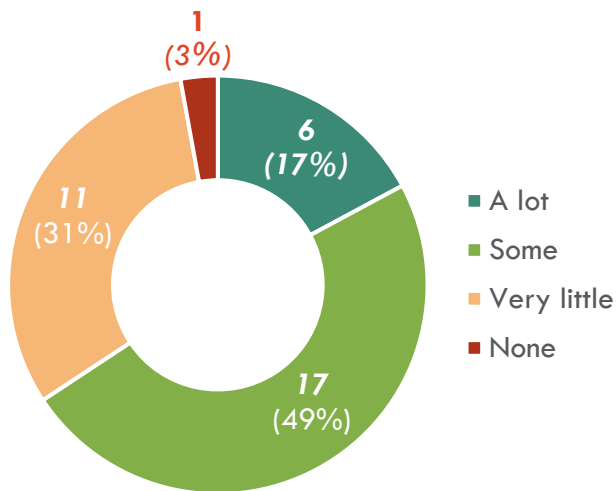
## UNDERSTANDING OF MICROENTERPRISES

Two-thirds of survey respondents say they either know “some” or “a lot” about the strengths, challenges, and needs of microenterprises, as shown in Exhibit 5. One-third of respondents report knowing “very little” or “none” about microenterprises, indicating a significant opportunity to increase knowledge among Main Street Organization staff and volunteers.

When asked to identify characteristics of microenterprises either as common strengths or challenges (see Exhibit 6), survey respondents were most likely to identify microenterprises’ quality of products or services (75%), entrepreneurial instinct (71%), and customer service (70%) as strengths. Respondents were most likely to identify marketing, web presence or social media (76%), navigating regulations (71%), and technology (67%) as challenges.

### Exhibit 5. Survey Respondents’ Self-Described Awareness of Microenterprises (35 Respondents)

Survey Prompt: “How much do you feel you know about microenterprises and the strengths, challenges, and needs of microenterprise business owners?”



Source: BERK, 2021.

**Exhibit 6. Survey Respondents' Perception of Microenterprise Strengths and Challenges (34 Respondents)**

Survey Prompt: "Which of the following are strengths or challenges you see in your microenterprise participating businesses? Skip if you don't know."



\*E.g., veteran, formerly incarcerated, living with a disability

Source: BERK, 2021.

When asked to describe microenterprises in their own words, many survey respondents noted that microenterprises comprise a significant proportion of the businesses in their community. A full list of survey respondents' descriptions of microenterprises is available in Exhibit 16 in Appendix A: Survey Details.

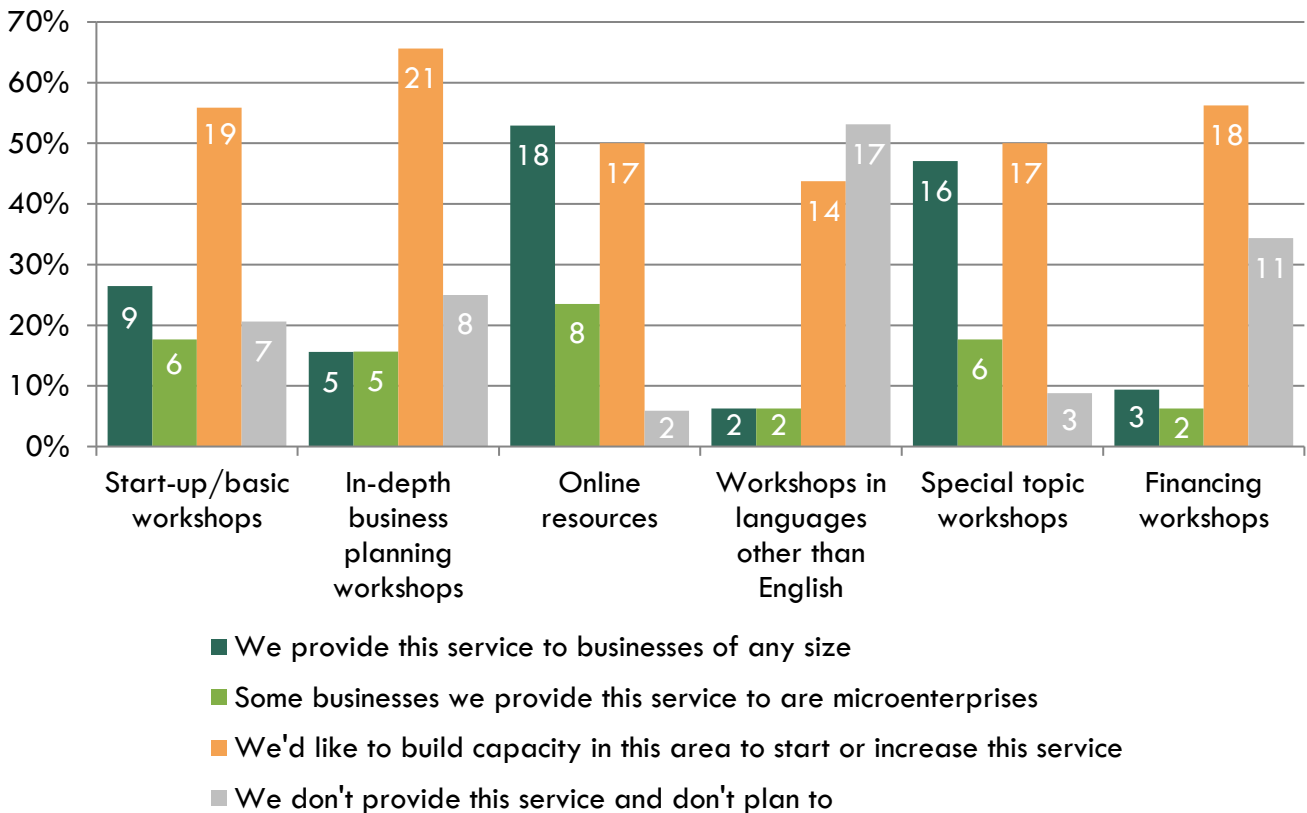
## SERVICES OFFERED

Survey respondents provide a range of business training programs to the businesses they support – and to microenterprises – as shown in Exhibit 7. Survey respondents are most likely to provide special topic workshops (14 of 34 respondents) or online resources (13 respondents) to businesses, though fewer provide this service to microenterprises. Survey respondents are least likely to provide in-depth business planning workshops (3 respondents), workshops in languages other than English (2 respondents), or financing workshops (2 respondents), though all respondents who provide these services also provide them to microenterprises.

At least 14 respondents are interested in building capacity to start or increase services in each of the six of the business training programs listed in the survey, with the greatest interest in providing in-depth business planning workshops. Fewer survey respondents indicated interest in building capacity to provide workshops in languages other than English and financing workshops.

**Exhibit 7. Business Training Programs Offered by Survey Respondents (34 Respondents)**

Survey Prompt: “Which types of business training programs do you provide? For each row, check all that apply. If you have temporarily paused any programs due to COVID-19 but will resume after social distancing precautions relax, please indicate that you provide these services.”



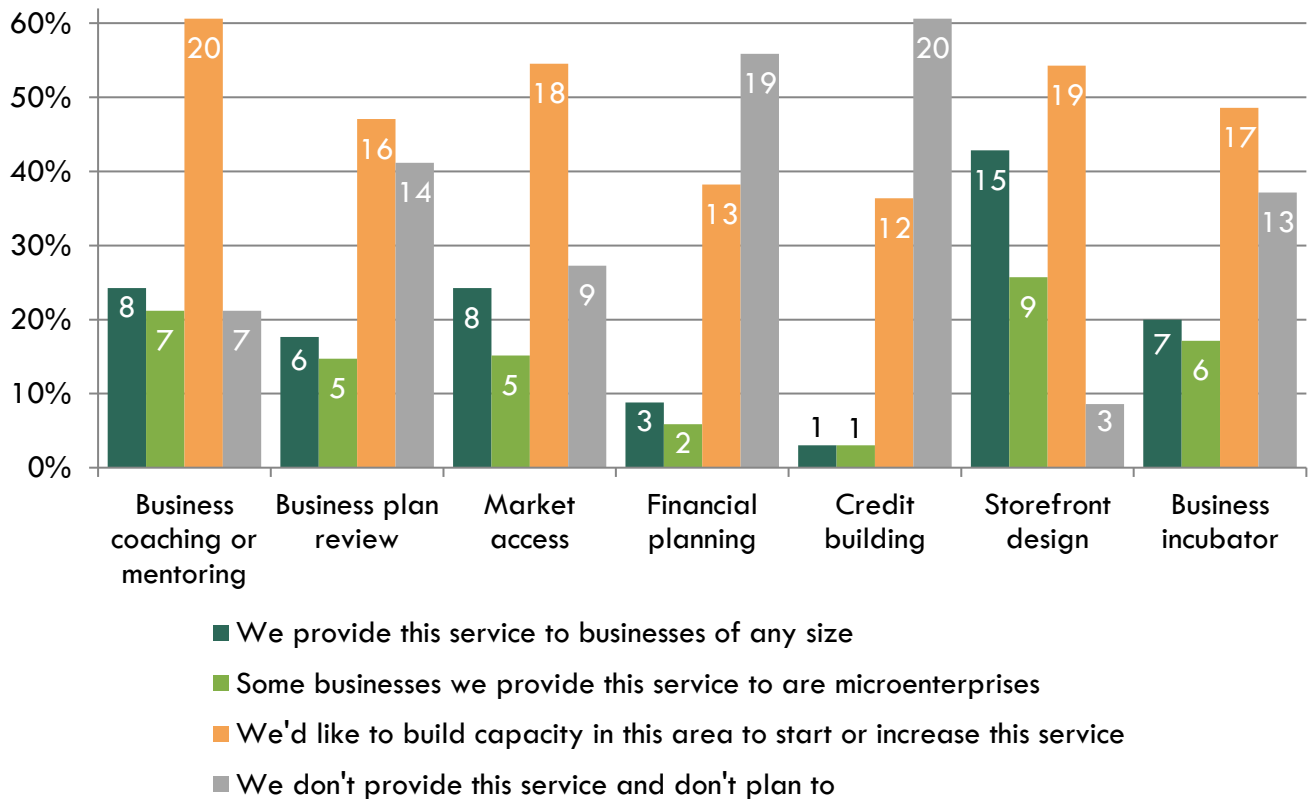
Source: BERK, 2021.

As shown in Exhibit 8, approximately one-quarter or less of survey respondents currently provide any given technical program described in the survey, except storefront design. Despite these relatively low levels of technical program offerings, many respondents who provide these services also provide them to microenterprises, and many survey respondents expressed a strong interest in building capacity in technical programming. Exhibit 10 in the next section provides more detail on specific areas in which Main Street Organizations would like to build capacity.

Out of the technical programs listed in the survey, respondents are most likely to provide storefront design support and least likely to provide credit-building programming.

**Exhibit 8. Technical Programs Offered by Survey Respondents (35 Respondents)**

Survey Prompt: “Which types of technical programs do you provide? For each row, check all that apply. If you have temporarily paused any programs due to COVID-19 but will resume after social distancing precautions relax, please indicate that you provide these services.”

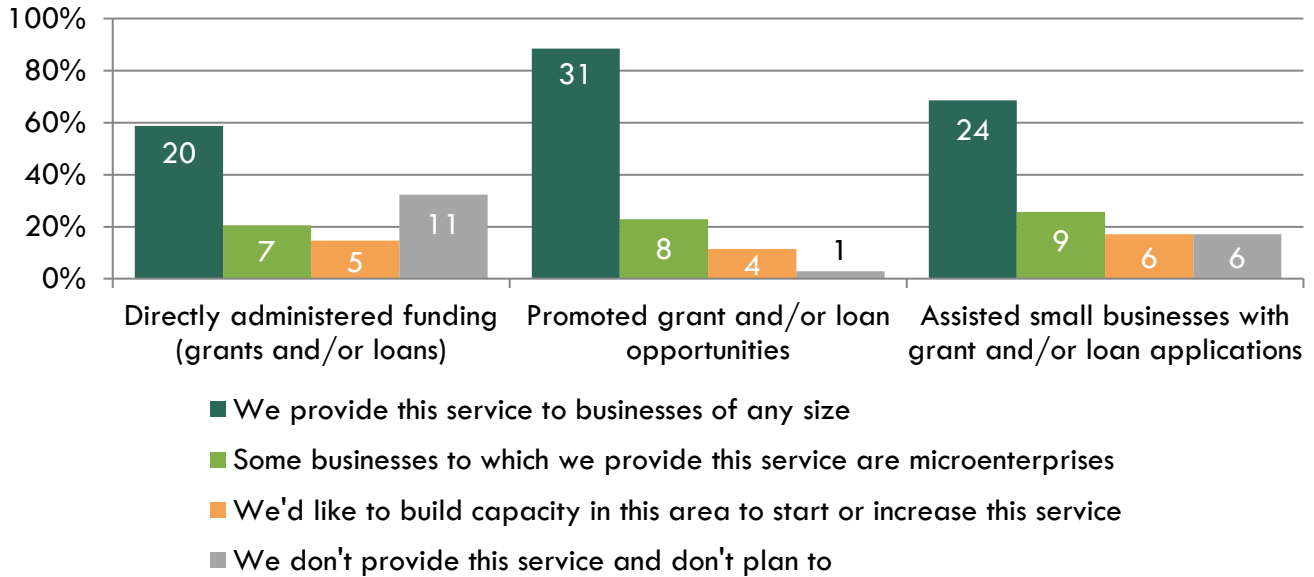


Source: BERK, 2021.

Exhibit 9 illustrates the COVID-19 relief functions that survey respondents provided to businesses and microenterprises they serve. While over half of respondents offered all three listed relief functions to businesses of any size, one-quarter or less of respondents provided each of these services to microenterprises. This indicates that microenterprises may not have received the same level of COVID-19 support from Main Street Organizations as did larger businesses.

**Exhibit 9. COVID-19 Relief Functions Offered by Survey Respondents (35 Respondents)**

Survey Prompt: “Which of the following COVID-19 relief functions have you provided? For each row, check all that apply.”



Source: BERK, 2021.

When asked to describe the services they provide to microenterprises in their own words, respondents often mentioned marketing and promotional supports, technical support, and events. A full list of survey respondents’ descriptions of the supports they provide to microenterprises is available in Exhibit 17 in Appendix A: Survey Details.

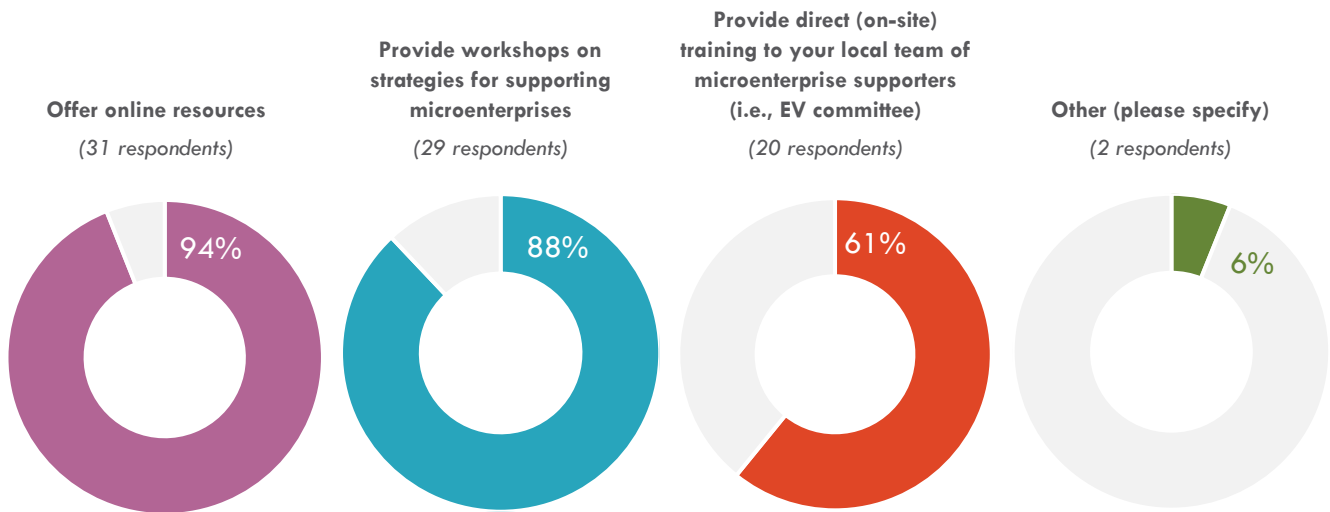
## SUPPORT NEEDED

Survey respondents have a strong interest in receiving additional help from Washington Main Street to improve their support for microenterprises. As Exhibit 10 shows, 94% of respondents would like additional online resources from Washington Main Street and 88% of respondents would like to attend workshops to learn strategies for supporting microenterprises. Nearly two-thirds of respondents would appreciate direct, on-site training to local team members who provide microenterprise support.

Some respondents offered other ideas of support they could receive from Washington Main Street, including support coordinating in-person trainings and a case study program for storefront redesign.

### Exhibit 10. Survey Respondents' Interest in Washington Main Street's Help for Microenterprise Support (33 Respondents)

Survey Prompt: "How could Washington Main Street help you better support microenterprises? Check all that apply."



Source: BERK, 2021.

## BUSINESS TRACKING

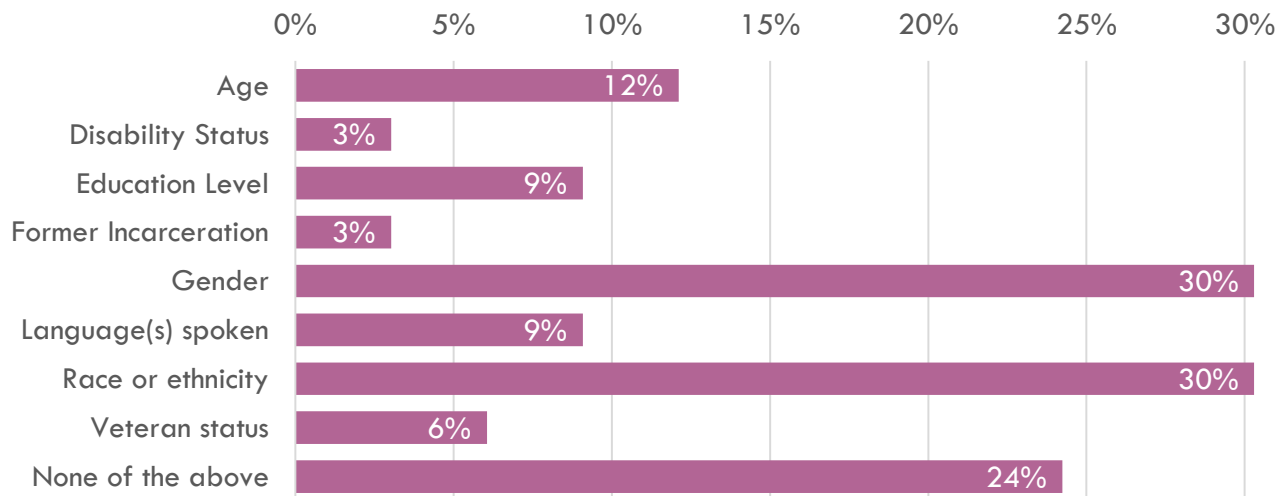
The survey asked respondents to identify the information they track about businessowners and businesses they serve. As shown in Exhibit 11, about one-third of respondents track the gender of businessowners and the same proportion tracks race or ethnicity. Less than one-eighth of respondents track all other dimensions of businessowner demographics, and respondents are least likely to track businessowners disability status or whether they have been formerly incarcerated.

Exhibit 12 shows the general business information that Main Street Organizations track. Nearly half track the number of employees at a business and about four in ten track the status of a business at the onset of contact with a Main Street Organization. Respondents are least likely to track businesses' annual revenue.

About one in four respondents track no information about businessowner demographics or participating businesses.

### Exhibit 11. Businessowner Demographic Information Tracked by Survey Respondents (32 Respondents)

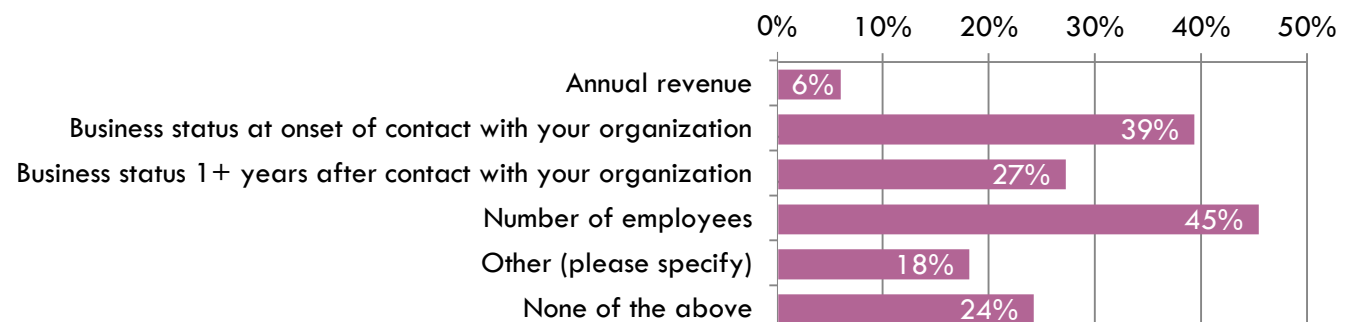
Survey Prompt: "Do you track any of the following information about each of your participating businesses? Check all that apply."



Source: BERK, 2021.

### Exhibit 12. Business Information Tracked by Survey Respondents (32 Respondents)

Survey Prompt: "Do you track any of the following information about each of your participating businesses? Check all that apply."



Source: BERK, 2021.



# Literature Review: Best Practices for Microenterprise Supports

BERK conducted a scan of existing literature on supports for microenterprises to identify common challenges that microenterprises face and resulting best practices for Main Street Organizations. Notably, much of the available literature is dated to the 1990s and 2000s, indicating a need for updated research, especially given the technological advances and the impacts of the COVID-19 pandemic in the decades since. The following insights draw from more recent literature to summarize supports that microentrepreneurs need.

- **Many of microentrepreneurs' needs are similar to the needs of slightly larger small business owners.** The Microenterprise Fund for Innovation, Effectiveness, Learning and Dissemination (FIELD) at the Aspen Institute<sup>7</sup> describes three common core components of microenterprise development programs: (1) training, (2) access to capital, and (3) technical assistance. All three of these components are also common to many small business programs but may be especially valuable to microentrepreneurs due to their limited resources and lack of access to traditional funding.
- **Personal relationships and a network of community connections are foundational to the success of microentrepreneurs.** A 2018 best practices article published by Sourcelink,<sup>8</sup> an entrepreneurship development organization housed at the University of Missouri-Kansas City, recommends that organizations can measure these connections by counting metrics like the following:
  - Entrepreneur-focused events and meetings occurring in the community.
  - People engaging with the Main Street Organization on social media.
- **Wraparound supports can enable microentrepreneurs, especially women microentrepreneurs, to participate in educational trainings.** A 2002 article in the Journal of Microfinance<sup>9</sup> notes that businessowners "who are most likely to complete training have extensive support systems. They have people who can watch their children, run their errands, provide transportation, allow the use of their phone, lend money, and give encouragement." Such supports can be especially beneficial for women, as women in the workplace are more likely than men to manage household chores, childcare, or familial duties, or care for sick or elderly family members.<sup>10</sup>
- **Microenterprise entrepreneurs who have been formerly incarcerated face three primary barriers to entrepreneurship: (1) bad or insufficient credit, (2) lack of access to right-fit capital, and (3) mental health challenges.** A 2020 report from the Association for Enterprise Opportunity (AEO)<sup>11</sup> observed identifies solutions for each, with further resources and guidance detailed in [this toolkit](#):

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<sup>7</sup> Nelson, Candace, Welthy Soni and Phil Black. 2000. "[Microenterprise Fact Sheet Series](#)." Microenterprise Fund for Innovation, Effectiveness, Learning and Dissemination: Issue 2.

<sup>8</sup> Williams, Rob. 2018. [Growing Entrepreneurship on Main Street](#).

<sup>9</sup> Edgcomb, Elaine L. 2002. "[What Makes for Effective Microenterprise Training?](#)" Journal of Microfinance / ESR Review: Vol. 4 Iss. 1, Article 8.

<sup>10</sup> Germano, Maggie. "[Women Are Working More Than Ever, But They Still Take On Most Household Responsibilities](#)." Forbes. March 27, 2019.

<sup>11</sup> Association for Enterprise Opportunity. 2020. "[Returning Citizen Entrepreneurship: Enhancing Support, Increasing Opportunities, and Deepening Success](#)."

1. *Bad or insufficient credit:* Help (Association for Enterprise Opportunity 2020) microentrepreneurs build or repair credit through access to loans.
  2. *Lack of access to right-fit capital:* Provide capital that builds credit and has favorable rates, terms, and conditions for microentrepreneurs.
  3. *Mental health challenges:* Incorporate a trauma-informed approach to program provision.
- A 2019 AEO report<sup>12</sup> noted that **Black entrepreneurs experience many of the same "typical" challenges as all entrepreneurs, but face them "more acutely and systematically" than their White counterparts due to institutional and individual racism Black Americans experience.** This can include typically lower starting wealth, lower credit, and by extension less access to capital. Black entrepreneurs also face lending discrimination. The report identifies potential solutions, including:
    - Create opportunities for Black entrepreneurs to access capital, such as through expanded lending programs or crowdfunding.
    - Provide technical assistance such as marketing or IT support.
    - Build social capital among Black entrepreneurs through a network of mentors and experts.
    - Provide wraparound services to facilitate entrepreneurs' participation in training and educational courses.

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<sup>12</sup> Association for Enterprise Opportunity. 2019. "[The Tapestry of Black Business Ownership in America: Untapped Opportunities for Success.](#)"

# Case Studies

## OVERVIEW AND KEY TAKEAWAYS

In April and May 2021, BERK conducted interviews with directors of six Main Street Organizations to explore a range of Main Street and microenterprise approaches statewide to present in a series of case studies, included in the following pages. Case studies highlight a “spotlight story” that illustrates an area of significant impact from each Main Street Organization. The six spotlight stories are:

1. *Downtown Pasco Development Authority: A Culture-Specific Market for the Latinx Community*
2. *Ellensburg Downtown Association: “NxLevel” Entrepreneur Classes*
3. *Historic Downtown Chelan Association: A Nimble Response to the COVID-19 Pandemic*
4. *Kent Downtown Partnership: Supports for Immigrant-Owned Microenterprises*
5. *Mount Vernon Downtown Association: A Pop-Up Incubator to Test a Business Model*
6. *Ridgefield Main Street: “Main Street Moola” Promotional Campaign*

The study team selected the case study organizations with a focus on broad geographic distribution across the state, range of community size, and innovative work to serve communities with higher proportions of BIPOC residents. See Exhibit 13 for all case study organizations.

Key findings from the case studies include:

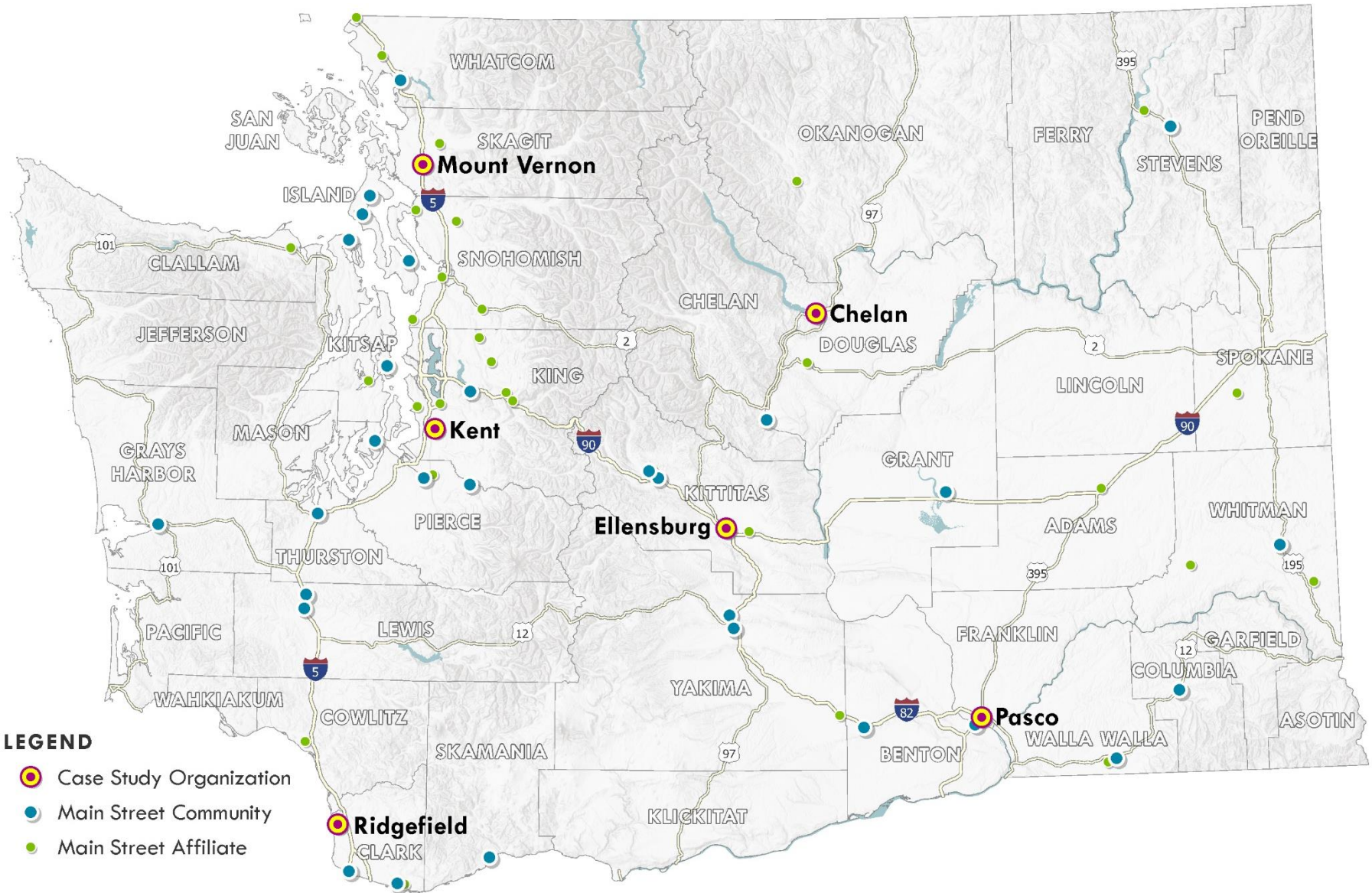
**Organizations provide significant support to microenterprises.** Common examples include business education programming; community network cultivation; events that draw customers downtown and build profiles of local businesses; and one-on-one coaching and expert consultation.

**Organizations function as liaisons and networkers for microenterprises, which is especially important for microentrepreneurs who are immigrants.** Several interviewees noted that they regularly support microenterprises’ communications with local government (see Downtown Pasco Development Authority and Kent Downtown Partnership for supports specific to immigrants, or Historic Downtown Chelan Association) or regularly link microenterprises with community partners for access to supports the case study organization does not provide (see Kent Downtown Partnership or Mount Vernon Downtown Association).

**Organizations also invest in personal relationships with microentrepreneurs,** including new business welcomes (see Ellensburg Downtown Association or Kent Downtown Partnership), regular visits (see Downtown Pasco Development Authority), and community-building with other microenterprises (see Ellensburg Downtown Association, Kent Downtown Partnership, or Ridgefield Main Street). This has created a stronger support system for microenterprises.

**Many case study organizations want to provide additional one-on-one coaching or free access to expert consultants, but currently do not due to capacity constraints** (see Ellensburg Downtown Association, Historic Downtown Chelan Association, Kent Downtown Partnership, or Mount Vernon Downtown Association). Historic Downtown Chelan Association has observed that microenterprises are more likely to need these supports than larger small businesses, so there may be an especially valuable opportunity to support microenterprises by building capacity.

**Exhibit 13. Case Study Organizations and Main Street Organizations**



Source: BERK, 2021.



## DOWNTOWN PASCO DEVELOPMENT AUTHORITY

*“Microenterprises are vital to downtown Pasco’s community... We call our downtown ‘the heart of Pasco: el corazon de Pasco.’ If these microenterprises weren’t here, the downtown would be dead.”*

- Gustavo Gutierrez-Gomez, Executive Director

### Community and Organization Key Statistics

<b>77,100</b>	City population (2020)
<b>9 blocks</b>	Size of district
<b>120</b>	Total businesses served
<b>90%</b>	Businesses served that are microenterprises
<b>2010</b>	Established
<b>6</b>	Staff
<b>\$626,000</b>	Annual budget



Exhibit: Jocho’s Tacos, a local microenterprise. (Courtesy of Downtown Pasco Development Authority.)

### Introduction

Downtown Pasco Development Authority (DPDA) is a nonprofit organization that promotes

inclusiveness, development, and equity within the community through a multi-pronged approach including Main Street, a radio station, a farmer’s market, youth scholarships, and direct business funding. DPDA also operates a commercial kitchen via an affiliated public authority.

All businesses in DPDA’s district are microenterprises, most with one to three employees. DPDA has built relationships with and focuses its services on 92 of these businesses, all of which are family-owned and nearly all of which are immigrant-owned. DPDA stays highly connected to its microenterprise businesses: Gustavo Gutierrez-Gomez, DPDA’s executive director, meets with two to three businessowners each day and sends weekly e-newsletters in English and Spanish.

### Spotlight Story: A Culture-Specific Market for the Latinx Community

DPDA cultivates an atmosphere where community and family can gather and celebrate Latinx culture. More than half of the Franklin County population identifies as Hispanic or Latinx, and in the decade since DPDA was founded, the district’s business mix has developed to serve the cultural needs of the Latinx – and especially Mexican – community. Many microenterprises that work with DPDA specialize in clothing, footwear, and hats or provide venues and limousines that support events and the social life of the Mexican community throughout the year.

Five of DPDA’s six staff are bilingual and bicultural, and this has been an essential asset in DPDA’s efforts to create a strong Latinx business community. Staff bring both a passion for downtown and the cultural competence needed to build trust and identify the top supports that DPDA can provide to the community.

## Microenterprises in the Community

Downtown Pasco experienced an exodus of businesses toward the tail end of the twentieth century as many businesses migrated to malls, leaving the downtown area with many vacancies and little community. Microenterprises have reinvigorated the downtown area and created a robust, inclusive sense of place. All businesses that DPDA serves in downtown Pasco are microenterprises.

## Supports for Microenterprises

The table at right shows the business training programs, technical programs, and COVID-19 relief functions DPDA provides to microenterprises. Beyond these supports, DPDA provides:

**Graphic design.** DPDA’s executive director is a graphic designer and offers free graphic design services to microenterprises and businesses within the district. Recently, DPDA allocated \$1500 to help four microenterprises design and purchase new signs for their businesses.

### Partnership with Wenatchee Community

**College.** DPDA connects microentrepreneurs to online classes through Wenatchee Community College. Businessowners can sign up for free to take classes on social media marketing and diversifying business.

**Technology grants.** Since the onset of COVID-19, DPDA has distributed 13 Chromebooks, as well as headphones and professional microphones, to businessowners so they can effectively attend trainings and operate their businesses while adhering to social distancing guidelines.

**Venues for lease.** DPDA leases out three stores it owns; subleases storefront space; and leases out office and storage space for cold or dry storage.

## Opportunities & Future Endeavors

**An educational networking group.** DPDA wants to bring additional information to its businesses through creation of a networking group at an education-focused institution like a public library.

**Guidance navigating and building relationships with government entities.** DPDA’s microenterprises sometimes struggle to understand government regulations and policies. DPDA is planning to conduct community-building between microenterprises and local government staff to build trust and mutual understanding.

Provide to <b>Businesses</b>			
Provide to <b>Microenterprises</b>			
Want to <b>Increase Capacity</b>			
<b>Business Training Programs</b>			
			Financing workshops
✓	✓		In-depth business planning workshops
✓	✓		Online resources
✓	✓		Special topic workshops
✓	✓		Start-up or basic workshops
✓	✓	✓	Workshops in languages other than English
<b>Technical Programs</b>			
✓	✓		Business coaching or mentoring
✓	✓		Business incubator
✓	✓		Business plan review
			Credit building
			Financial planning
✓	✓		Market access
✓	✓		Storefront design
<b>COVID-19 Relief Functions</b>			
✓	✓		Assisted businesses with grant/loan applications
✓	✓		Directly administered grants/loans
✓	✓		Promoted grant/loan opportunities

# ELLENSBURG DOWNTOWN ASSOCIATION

*“If we didn’t have the small businesses and microenterprises, we wouldn’t have a downtown. It would be desolate block after block. They make up the vibrancy of our downtown.”*

- Megan West, Board President

## Community and Organization Key Statistics

<b>20,640</b>	City population (2020)
<b>16 blocks</b>	Size of district
<b>150</b>	Total businesses served
<b>50%</b>	Businesses served that are microenterprises
<b>2004</b>	Established
<b>2</b>	Staff
<b>\$200,000</b>	Annual budget



Exhibit: Attendees at a “Burg Herd” event. (Courtesy of Ellensburg Downtown Association.)

## Introduction

Ellensburg Downtown Association (EDA) cultivates Ellensburg’s historic downtown through a range of

business supports, an emphasis on “shop local,” and strong relationships with microentrepreneurs and small businessowners. EDA’s new executive director, Karin Green, joined the organization in early 2021 and has emphasized one-on-one meetings with owners to introduce herself, identify business needs, and understand how EDA can provide support. Prior to the COVID-19 pandemic, each of EDA’s board members met with a different businessowner in advance of every board meeting to develop and sustain community relationships.

## Spotlight Story: “NxLevel” Entrepreneur Classes

For six years, EDA has offered a 10-week entrepreneurship class, currently available in the winter. A typical year’s cohort includes approximately a dozen students. The course follows an entrepreneurship curriculum booklet, which has been updated several times since the class’s inception. Each of the ten weekly classes focuses on a different component of a successful business plan, ranging from mission and vision to financials, and features a different guest speaker whose expertise aligns with the week’s topic. The blend of booklet learning and guest speakers allows participants to gain textbook skills while benefitting from speakers’ personal experience.

Students include existing businessowners seeking to transform their business, prospective businessowners seeking a mid-career transition into entrepreneurship, and young adult entrepreneurs. Dozens of businessowners have participated, many of whom have soon after launched successful businesses. EDA charges a small fee for the course to cover the cost of an accompanying booklet. All participants are welcome to re-take the course at any time, free of charge.



## Microenterprises in the Community

Most of Ellensburg’s businesses are microenterprises or small businesses, and the community includes few large corporations. EDA Executive Director Karin Green describes microenterprises as “the driving force of the community.”

## Supports for Microenterprises

The table at right shows the business training programs, technical programs, and COVID-19 relief functions EDA provides to microenterprises. Beyond these supports, EDA provides:

**New business welcomes.** EDA greets new businesses with a welcome packet including contact information for permits and guidance through city processes.

**“The Burg Herd.”** Each month, EDA selects a retail business and restaurant and encourages residents to spend \$25 at both on the month’s first Wednesday. Participating patrons complete a punch card that enters them into a gift raffle. EDA launched this effort at the onset of the COVID-19 pandemic and intends to continue this indefinitely.

**Restaurant coalition.** EDA facilitates a regular convening of restaurant owners to empower owners to collaborate and create independent events. About half of the coalition’s businesses are microenterprises.

**COVID-19 coordination.** Throughout the pandemic, EDA shared online information about how businesses could acquire grants and funding.

**Online promotion.** EDA board members and staff engage with businesses’ social media posts to increase traffic.

## Opportunities & Future Endeavors

**Communicate EDA’s role.** EDA has observed that small businessowners often have limited capacity to participate in organizations. EDA wants to increase business participation by communicating its supportive role as a free resource.

**Offer one-on-one classes.** EDA’s current role centers on events, in part due to capacity constraints. EDA aspires to have funding to offer one-on-one classes to personalize its support for microentrepreneurs.

**University partnership.** EDA is connecting with a club at the Central Washington University College of Business to allow business students to provide free, faculty-supervised mentorship for businessowners.

Provide to <b>Businesses</b>			
Provide to <b>Microenterprises</b>			
		Want to <b>Increase Capacity</b>	
<b>Business Training Programs</b>			
		✓	Financing workshops
✓	✓	✓	In-depth business planning workshops
✓	✓	✓	Online resources
		✓	Special topic workshops
✓	✓	✓	Start-up or basic workshops
		✓	Workshops in languages other than English
<b>Technical Programs</b>			
✓	✓	✓	Business coaching or mentoring
	✓	✓	Business incubator
✓	✓	✓	Business plan review
		✓	Credit building
✓	✓	✓	Financial planning
		✓	Market access
		✓	Storefront design
<b>COVID-19 Relief Functions</b>			
		✓	Assisted businesses with grant/loan applications
✓	✓	✓	Directly administered grants/loans
✓	✓	✓	Promoted grant/loan opportunities

## HISTORIC DOWNTOWN CHELAN ASSOCIATION

*“You need a mixture of quirky personalities downtown... Businessowners’ personalities come through in the vibe of their stores and that’s what creates a unique downtown.”*

*- Erin McCardle, Executive Director*

### Community and Organization Key Statistics

<b>4,355</b>	City population (2020)
<b>9 blocks</b>	Size of district
<b>100</b>	Total businesses served
<b>60%</b>	Businesses served that are microenterprises
<b>2008</b>	Established
<b>1</b>	Staff
<b>\$155,000</b>	Annual budget



Exhibit: Dia de los Muertos Event. (Courtesy of Historic Downtown Chelan Association.)

### Introduction

Historic Downtown Chelan Association (HDCA) promotes and preserves downtown Chelan with an emphasis on microenterprises and small businesses. With a staff of one, HDCA boosts its capacity through volunteer support and partnerships with entities like the City of Chelan, the Lake Chelan Chamber of Commerce, and the Chelan Douglas Regional Port Authority.

### Spotlight Story: A Nimble Response to the COVID-19 Pandemic

HDCA was fortunate to have significant capital—more than one year’s worth of operating budget—available in its savings account when the COVID-19 pandemic began. HDCA used this asset as leverage to create a business microloan program at the local bank and within two weeks of the pandemic’s onset, the microloan program was operational. The program provided a \$5,000 loan to any member-business without any requirements or formal qualification. HDCA approved loans without any further approval by the bank, enabling 15 businesses to receive funding within less than one week of applying. HDCA’s nimbleness filled a funding gap before the Paycheck Protection Program (PPP) had been established.

Throughout the early days of the pandemic, HDCA also hosted weekly virtual calls with the downtown business community to share updates. Each week, HDCA invited a subject matter expert to present on a new topic such as unemployment or online retail platforms. HDCA decided whether to provide additional information on a given topic based on attendance at each presentation—ranging from 10 participants for less popular topics to 100 participants for hot-button issues—and via a participant survey.

Since the onset of the pandemic, all HDCA businesses have remained in operation and four new businesses have opened.

## Microenterprises in the Community

Microenterprises and small businesses in Chelan make downtown vibrant by bringing unique character to the region, creating a diverse business mix. Chelan’s business community includes restaurants, retail, and services that reflect the personality of each microentrepreneur.

## Supports for Microenterprises

The table at right shows the business training programs, technical programs, and COVID-19 relief functions HDCA provides to microenterprises. Beyond these supports, HDCA provides:

**Advocacy.** Through its partnership with the City, HDCA serves as a liaison between the City and microenterprises and advocates on behalf of small businesses. For example, HDCA worked with the City during the COVID-19 pandemic to activate parking stalls for outdoor seating through a temporary code overlay.

**COVID-19 Restaurant Rally Program.** During an especially slow season for restaurants during the COVID-19 pandemic (restaurants were capped at 25% capacity during the already-slow holiday season from December 2020 through February 2021), HDCA developed a program that allowed the Lake Chelan Chamber of Commerce to match restaurants’ grocery receipts between \$5,000 and \$10,000, using \$150,000 from lodging tax dollars. HDCA helped restaurants track and report their expenses to take advantage of this program.

**Events.** HDCA brings community members downtown by hosting four events throughout the year: a summer musical event, an autumn fundraising event, a Día de los Muertos event in November, and a holiday event in winter.

## Opportunities & Future Endeavors

**Additional one-on-one support.** HDCA has found that the smallest businesses – those with one or two employees – need the most support, especially one-on-one advice and consultation. This has been especially true during the COVID-19 pandemic. HDCA would like to build its staffing capacity to provide support to this segment of its business-members.

**Downtown Revitalization Plan.** Chelan is a historical farming community that is growing and transitioning to a tourism community. HDCA is creating a Downtown Revitalization Plan to potentially upgrade and widen downtown sidewalks and add other amenities to support the community’s growth.

Provide to <b>Businesses</b>			
Provide to <b>Microenterprises</b>			
Want to <b>Increase Capacity</b>			
<b>Business Training Programs</b>			
		✓	Financing workshops
		✓	In-depth business planning workshops
✓			Online resources
		✓	Special topic workshops
		✓	Start-up or basic workshops
		✓	Workshops in languages other than English
<b>Technical Programs</b>			
			Business coaching or mentoring
			Business incubator
			Business plan review
			Credit building
			Financial planning
		✓	Market access
✓			Storefront design
<b>COVID-19 Relief Functions</b>			
✓	✓		Assisted businesses with grant/loan applications
✓	✓		Directly administered grants/loans
✓			Promoted grant/loan opportunities

## KENT DOWNTOWN PARTNERSHIP

*“Microenterprises play a big role in keeping people downtown. Go to a coffee shop, wander to the next place, come down and have dinner, and listen to music. They’re what create the experience and that environment.”*

- Gaila Haas, Executive Director

### Community and Organization Key Statistics

<b>130,500</b>	City population (2020)
<b>9 blocks</b>	Size of district
<b>150</b>	Total businesses served
<b>80%</b>	Businesses served that are microenterprises
<b>1992</b>	Established
<b>2</b>	Staff
<b>\$200,000</b>	Annual budget



Exhibit: Anne Smith, a microentrepreneur. (Courtesy of Kent Downtown Partnership.)

### Introduction

Kent Downtown Partnership (KDP) supports microenterprises and small

businesses by creating community connections, promoting businesses, and liaising between businesses and the City. KDP has activated a strong network of volunteers, up to a few hundred volunteers per year.

KDP primarily serves 40 core businesses, nearly all of which are microenterprises. Approximately 75% of the owners are women or Black, Indigenous, or people of color (BIPOC). To reflect the diversity of its businessowners, KDP has focused on cultural inclusivity and building relationships with cultural communities.

### Spotlight Story: Supports for Immigrant-Owned Microenterprises

KDP is proud of the cultural diversity of its businessowners and recognizes that some immigrant businessowners – often microentrepreneurs who have had successful businesses in their native countries – may need additional support to navigate City policies and procedures like permitting processes. KDP connects these businessowners to cultural agencies that can provide language support or other assistance.

In one recent example, a new community member sought to open an African variety grocery store. KDP Executive Director Gaila Haas noticed that the store windows had been covered for months, which indicated to Gaila that there may have been a roadblock. Gaila reached out to the landlord to learn more and connect with the owner, then met with the city; reached out to a relevant cultural organization, Mother Africa; connected with staff from the StartZone entrepreneur program at Highline College; and finally spoke to a director at the Food Innovation Network’s Small Business Development Center at Highline College, which works with immigrants seeking to open hospitality or food businesses. Through these connections, Gaila provided the support that the owner needed to continue opening their business.



## Microenterprises in the Community

Microenterprises in Kent are the “mom and pop” businesses that make Kent’s downtown unique. Owners support one another by sharing information and patronizing one another’s businesses, because they understand that a bustling street of strong businesses is a rising tide that floats all boats.

## Supports for Microenterprises

The table at right shows the business training programs, technical programs, and COVID-19 relief functions KDP provides to microenterprises. KDP indirectly provides many of these services by linking businesses to external partners. Beyond these supports, KDP provides:

**Connections to the City.** If a microenterprise is facing a challenge, KDP can often facilitate a faster response from the City.

**Culturally relevant connections to local institutions.** KDP connects owners to culturally relevant nonprofits and programs at the Highline and Green River colleges that support businesses. The International Festival organization has been an essential liaison to prospective partner-organizations with specific cultural emphases.

**Online community.** Since the onset of the COVID-19 pandemic, KDP has developed a private Facebook group for businessowners to help build a strong, personal community among businesses.

**New business welcomes.** KDP visits new owners to learn about their priorities and needs.

**Community spaces.** KDP has created walkable routes and an open marketplace for events that draw the community into the downtown area.

## Opportunities & Future Endeavors

**Branding and awareness.** Kent is a large city with many competing shopping districts, so many residents are unaware of the historic downtown. KDP surveyed property owners to understand the top challenges they face, and a common response was that downtown needs a stronger identity. KDP is working to elevate community awareness to draw more customers to the microenterprises downtown.

**Increase staffing.** Despite its volunteer base, KDP seeks to increase capacity by hiring more staff.

**Hire business consultants.** KDP hopes to acquire funding to hire business consultants, such as lighting consultants or storefront advisors, to offer free-of-charge to business-members.

Provide to <b>Businesses</b>			
Provide to <b>Microenterprises</b>			
Want to <b>Increase Capacity</b>			
<b>Business Training Programs</b>			
✓	✓		Financing workshops
		✓	In-depth business planning workshops
		✓	Online resources
✓	✓		Special topic workshops
✓	✓		Start-up or basic workshops
		✓	Workshops in languages other than English
<b>Technical Programs</b>			
✓	✓		Business coaching or mentoring
✓	✓		Business incubator
✓	✓		Business plan review
			Credit building
✓	✓		Financial planning
		✓	Market access
		✓	Storefront design
<b>COVID-19 Relief Functions</b>			
✓	✓		Assisted businesses with grant/loan applications
		✓	Directly administered grants/loans
✓	✓		Promoted grant/loan opportunities

# MOUNT VERNON DOWNTOWN ASSOCIATION

*“There’s something about this downtown district that’s unique. It’s connected to the downtown architecture, but also to a constant low-level buzz of energy created by the cool businesses we have—and they’re all microenterprises.”*

- Ellen Gamson, Executive Director

## Community and Organization Key Statistics

<b>36,050</b>	City population (2020)
<b>21 blocks</b>	Size of district
<b>200</b>	Total businesses served
<b>90%</b>	Businesses served that are microenterprises
<b>2008</b>	Established
<b>2</b>	Staff
<b>\$225,000</b>	Annual budget

Dear Ellen,

I wanted to thank you for the wonderful opportunity to be part of the Pop Up Program in Mount Vernon. As a small business owner, I had always wondered what it would be like to have a retail space, and this program provided a financial low risk opportunity to try. I learned more in one month than I could have in a year of business classes.

My two partners and I created a shop to bring local art and products to Skagit Valley residents and tulip festival tourists. We represented 18 local artists for one month. In that time, we grossed over \$16,000 in sales, 265 sales, and 693 items. After collecting artist fees, and teaching art classes, we generated over \$21,000 in revenue. 100% of this money stayed local.

This was made possible by the low rent, free advertising, and support of Ellen Gamson of the Downtown Association. Thank you for offering this invaluable program that creates opportunity for the community.

Sincerely,

Katie Walton and Maria Pickering

**Exhibit: A thank you note from a businessowner who used the pop-up incubator space. (Courtesy of Mount Vernon Downtown Association.)**

## Introduction

Mount Vernon Downtown Association (MVDA) creates a business community through regular business visits,

collective marketing promotion of the district, a pop-up business incubator, and events. Approximately 30% of MVDA’s annual revenues derive from the annual Tulip Festival Street Fair, a three-day arts and crafts event that has occurred annually since 1985. Due to the COVID-19 pandemic, MVDA created a virtual alternative to the Street Fair in 2020 and 2021 to allow customers to shop on vendors’ websites.

## Spotlight Story: A Pop-Up Incubator to Test a Business Model

Since 2019, MVDA has offered discounted short-term subleases of a pop-up business incubator for entrepreneurs. MVDA launched the incubator for three purposes: (1) connect early-on with entrepreneurs to direct them to resources that maximize their chance of long-term success; (2) allow entrepreneurs to test a business concept without brick-and-mortar startup costs or the burden of a long-term lease; and (3) create a pipeline of businesses to occupy upcoming vacancies as buildings are renovated. MVDA rents the 500-square foot space from a community partner at one-third market price as an in-kind donation, and in turn offers it to businesses at a monthly rate of \$300, including fiber internet.

The incubator provides an essential opportunity for microenterprises to test and perfect their business models before signing a long-term lease. For example, the incubator once hosted a mother-daughter business partnership that both taught craft classes and produced craft goods for sale. During their time in the incubator, the pair discovered that they should focus their business model solely on classes and stopped producing goods for sale. Once they outgrew the incubator, the partners narrowed their brick-and-mortar search to locations that solely supported their classes.

## Microenterprises in the Community

Most non-restaurant businesses in the district, especially street-level retail and many professional services, are microenterprises. Microenterprises provide a diverse business mix offering goods or experiences that are difficult to replicate online or in a big-box store. Microenterprises are more likely to be owned or co-owned by women or people who identify as LGBTQ+ than those who do not.

## Supports for Microenterprises

The table at right shows the business training programs, technical programs, and COVID-19 relief functions MVDA provides to microenterprises. Beyond these supports, MVDA provides:

**Startup Skagit Valley.** MVDA helped the Center for Inclusive Entrepreneurship expand its startup business course – now called Startup Skagit Valley – to offer the course to MVDA’s community. Participants attend eight sessions of trainings free of charge. The course culminates in a competitive adjudication of a business plan, with prizes including cash, reimbursements for business license application fees, and free rent at the incubator.

**Shopping guides.** After the COVID-19 pandemic began and downtown foot traffic decreased, MVDA began creating seasonal shopping guides to market businesses. Vendors have informed MVDA that these guides have generated new business.

**Online and in-person community.** MVDA creates events and opportunities for owners to network within the district. With support from volunteer businessowners, MVDA administers a Facebook group where owners trade advice and knowledge, from favored banks to trends in usage of fraudulent tender.

**Expert consulting.** When budget allows, MVDA hires experts to provide free workshops and one-on-one consulting in topics such as merchandising and social media.

## Opportunities & Future Endeavors

**Expand expert consulting.** MVDA has found that businessowners struggle to participate in professional development opportunities and hopes to acquire funding to more frequently hire expert consultants to offer free-of-charge services to business-members.

**Increase direct funding.** MVDA aspires to create a revolving loan account to support microenterprises with small, low-risk loans.

**Hire expert staff.** MVDA wants to hire staff to serve as a free in-house consultant, especially for online marketing and web commerce.

Provide to <b>Businesses</b>			Provide to <b>Microenterprises</b>			Want to <b>Increase Capacity</b>		
<b>Business Training Programs</b>								
			✓			✓		Financing workshops
✓	✓		✓			✓		In-depth business planning workshops
			✓	✓		✓		Online resources
✓	✓		✓			✓		Special topic workshops
✓	✓							Start-up or basic workshops
						✓		Workshops in languages other than English
<b>Technical Programs</b>								
✓	✓		✓			✓		Business coaching or mentoring
			✓	✓		✓		Business incubator
✓	✓		✓			✓		Business plan review
						✓		Credit building
						✓		Financial planning
✓	✓		✓			✓		Market access
✓	✓		✓			✓		Storefront design
<b>COVID-19 Relief Functions</b>								
✓	✓							Assisted businesses with grant/loan applications
✓	✓					✓		Directly administered grants/loans
✓	✓							Promoted grant/loan opportunities



## RIDGEFIELD MAIN STREET

*Downtown is the heart and soul of Ridgefield... We think those family-run businesses contribute a lot to the overall character of our community."*

*- Marykay Lamoureaux, Executive Director*

### Community and Organization Key Statistics

<b>9,770</b>	City population (2020)
<b>12 blocks</b>	Size of district
<b>30</b>	Total businesses served
<b>90%</b>	Businesses served that are microenterprises
<b>2016</b>	Established
<b>1</b>	Staff
<b>\$120,000</b>	Annual budget



Exhibit: Troy Couch, Microenterprise Owner. (Courtesy of Ridgefield Main Street.)

### Introduction

#### Ridgefield Main Street (RMS)

supports microenterprises and small businesses through grants, community-building, promotional campaigns, and events. RMS may represent a small district by geography – walkable within a few minutes – but it is a significant organization in the community. RMS is the only civic organization in the city with a staff person and has amassed over 6,500 followers on its Facebook page – a number equal to two-thirds of the population of Ridgefield.

### Spotlight Story: “Main Street Moola” Promotional Campaign

In 2016, RMS established a program to incentivize and subsidize customer spending downtown. The program, called Main Street Moola, provides \$5 gift certificates to community members to redeem at downtown businesses. RMS then reimburses merchants for the full cost of the gift certificates they have collected. As of May 2021, RMS had circulated over \$30,000 in Main Street Moola within the community and reimbursed merchants for \$15,000 in certificates in 2021 alone. The program has been one of RMS’s most successful programs in building trust with businesses and for demonstrating direct impact, as RMS maintains a database of the vouchers distributed and reimbursed.

Main Street Moola has supported RMS in building a downtown identity. For example, RMS distributes Moola to community members as prizes for trivia questions shared on social media. Trivia questions focus on Ridgefield history and storytelling to help create a stronger downtown identity.

RMS has also leveraged Main Street Moola to build relationships with external partners. Organizations like the Ridgefield Chamber of Commerce, City of Ridgefield, and local homeowners’ associations purchase Main Street Moola vouchers from RMS to distribute to the community at community events or as prizes for local competitions like the holiday decorating competition.

## Microenterprises in the Community

Ridgefield is a rapidly growing community with several incoming shopping centers within a few miles of the historic downtown. Compared to these locations with larger chain stores, the microenterprises downtown provide a distinct sense of local community where residents can gather.

## Supports for Microenterprises

The table at right shows the business training programs, technical programs, and COVID-19 relief functions RMS provides to microenterprises. Beyond these supports, RMS provides:

**Façade enhancement grants.** RMS offers businessowners grant funding for façade enhancement like exterior paint, signage, or storefront displays. During the COVID-19 pandemic, RMS adapted some façade enhancement grants to recovery grants to better support the changing needs of merchants.

**Tailgate events.** RMS partners with the Ridgefield Raptors, a West Coast League baseball team that plays during summers. Before games, RMS hosts community tailgate gatherings downtown. These events create a predictable stream of customers for microenterprises and small businesses in the district.

**Community.** RMS has worked to bring merchants together through events and social media. These efforts have created a more cohesive and mutually supportive business community.

## Opportunities & Future Endeavors

**Build trust with businesses.** RMS is a relatively new organization in the community and has therefore spent significant effort over the past several years building relationships and trust with businessowners. RMS seeks to continue build a better sense of trust with businesses to understand how to best serve them.

**Support consistent business hours.** Some stores and restaurants in downtown Ridgefield have inconsistent hours, creating unreliability for customers, and by extension less repeat business. RMS seeks to work with microenterprises and small businesses to create a culture of consistent hours for downtown businesses.

Provide to <b>Businesses</b>			
Provide to <b>Microenterprises</b>			
		Want to <b>Increase Capacity</b>	
<b>Business Training Programs</b>			
		✓	Financing workshops
		✓	In-depth business planning workshops
✓	✓		Online resources
✓	✓		Special topic workshops
		✓	Start-up or basic workshops
			Workshops in languages other than English
<b>Technical Programs</b>			
		✓	Business coaching or mentoring
		✓	Business incubator
		✓	Business plan review
		✓	Credit building
		✓	Financial planning
		✓	Market access
		✓	Storefront design
<b>COVID-19 Relief Functions</b>			
✓	✓		Assisted businesses with grant/loan applications
✓	✓		Directly administered grants/loans
✓	✓		Promoted grant/loan opportunities

# Recommendations

We draw from key findings of the survey, case studies, and literature review to provide five recommendations to Washington Main Street, described in detail below and summarized in Exhibit 14.

1. **Build awareness:** *provide education to Main Street Organizations about microenterprises' strengths and needs.* Some Main Street Organizations know little about microenterprises: one-third of survey respondents reports knowing “very little” or “none” about microenterprises, and one in eight was unsure which businesses they served were microenterprises. Ninety-four percent of respondents want additional online resources about microenterprises from Washington Main Street.<sup>13</sup> Washington Main Street can build this awareness before strengthening Main Street Organizations’ programmatic supports for microenterprises.
2. **Offer trainings:** *provide workshops, online resources, and in-person training to enable Main Street Organizations to develop new programs and tailor existing programs for microenterprises.* Many Main Street Organizations provide significant support to microenterprises: about 40% of survey respondents engage with microenterprises at least half of the time. By deliberately considering the specific needs of microenterprises and microentrepreneurs, Main Street Organizations are likely to strengthen their support for *all* the businesses they serve, particularly small businesses that are slightly too large or resourced to meet the microenterprise definition. Potential topics for training include:

**Tailoring existing programming to improve relevance for microentrepreneurs.** Main Street Organizations could better reach microentrepreneurs. For example, many survey respondents currently provide special topic workshops or online resources to businesses, though few provide this service to microenterprises. Eighty-eight percent of survey respondents would like to attend workshops to learn strategies for supporting microenterprises, and nearly two-thirds of survey respondents want direct, on-site training to team members who provide microenterprise support.<sup>14</sup> Survey respondents are most interested in building capacity in technical programming; in-depth business planning workshops; workshops in languages other than English; and financing workshops – all of which benefit not only microenterprises, but also the greater business community.

**Credit building for microentrepreneurs.** Microentrepreneurs lack access to traditional credit. One cause of this barrier is bad credit or lack of credit. One-third of survey respondents would like to build capacity in providing credit building technical programs.

**Right-fit lending programs for microenterprises.** With relatively small startup costs, microenterprises need capital with right-fit terms and conditions. Some case study organizations already provide or seek to begin providing direct loans to microentrepreneurs.

**Trauma-informed best practices.** A trauma-informed approach to program provision can improve success for microentrepreneurs who have been formerly incarcerated.

**Creating accessibility supports for microentrepreneurs.** Main Street Organizations can make their programs more accessible to microentrepreneurs – especially sole proprietors with no backup – by providing supports like childcare, interpretation, or translation.

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<sup>13</sup> A series of articles on the [Virginia Main Street](#) website indicates that this organization conducted several workshops in 2010 about the intersections of Main Street Organizations and microenterprises. This organization may be a starting point to discuss implementation of educational programs.

<sup>14</sup> WTHP could facilitate this through consultant support rather than WTHP staff, if needed.

3. **Encourage networking:** *emphasize and encourage the role of Main Street Organizations as liaisons and community networkers, especially to local government staff, culturally competent nonprofits, and service providers.* Many Main Street Organizations invest in personal relationships with microentrepreneurs, cultivate strong business communities, and provide microentrepreneurs with liaison and networking services within these communities. This function is especially important for microentrepreneurs who are immigrants or who are BIPOC. Opportunities to further develop organization’s connector role include:

**Facilitate connections between Microenterprise Development Organizations (MDOs) and Main Street Organizations.** Most Main Street Organizations do not interact with MDOs in their communities: 40% of survey respondents are unsure if there is an MDO in their community, and about one-third do not interact with or do not have an MDO in their community.

**Support Main Street Organizations in identifying and developing relationships with community groups that can provide wraparound supports to microentrepreneurs.** Such supports, which may include childcare or transportation, can enable microentrepreneurs, especially women microentrepreneurs, to participate in educational trainings and otherwise devote time to growing their businesses.

**Elevate existing work from Main Street Organizations through community networking and storytelling to help Main Street Organizations learn from each other.** Each Main Street Organization provides different types and levels of support to microenterprises. Creating opportunities for these organizations to share knowledge would allow them to leverage one another’s experience and best practices for more effective supports.

4. **Support capacity-building:** *help Main Street Organizations develop financial and staffing capacity to provide more programs.* Many case study organizations want to provide additional one-on-one coaching or free access to expert consultants, but currently do not due to capacity constraints. Historic Downtown Chelan Association has observed that microenterprises are more likely to need these supports than larger small businesses, so there may be an especially valuable opportunity to support microenterprises by building financial and staffing capacity.
5. **Strengthen tracking:** *develop a standardized tracking methodology to quantify statewide Main Street supports for microenterprises.* Main Street Organizations do not have a uniform approach to tracking business information and businessowner demographics, and about one in four survey respondents tracks no information about businessowner demographics or participating businesses.

**For microenterprise-specific programs:** Incorporate tracking guidance when helping Main Street Organizations develop expertise and capacity to provide microenterprise-specific programs.

**For general business supports that also benefit microenterprises:** Incorporate standardized metrics about businesses and businessowner demographics in quarterly Main Street Community reports to track the proportion of businesses served that are microenterprises. If organizations may not have capacity to track this data, collection could be suggested but optional.

**For relationship-building and community networking efforts:** Identify qualitative methods of demonstrating the impact of relationship-building, such as gathering a new “spotlight story” from Main Street Communities as part of the quarterly reports. Measure quantifiable methods of community networking, such as the number of events in the community; people engaging with the Main Street Organization on social media; microentrepreneurs engaging in local startup hashtags; or entrepreneur-focused meetings occurring in the community.

**Exhibit 14. Recommendations to Washington Main Street**



**1. Build awareness.** *Provide education to Main Street Organizations about microenterprises' strengths and needs.*



**2. Offer trainings.** *Provide workshops, online resources, and in-person training to enable Main Street Organizations to develop new programs and tailor existing programs for microenterprises.*



**3. Encourage networking.** *Emphasize and further encourage the role of Main Street Organizations as liaisons and community networkers, especially with local government staff, culturally competent nonprofits, and service providers.*



**4. Support capacity-building.** *Help Main Street Organizations develop financial and staffing capacity to provide more programs.*



**5. Strengthen tracking.** *Develop a standardized tracking methodology to quantify statewide Main Street supports for microenterprises.*

Source: BERK, 2021. Icons from the Noun Project (see Artist Attributions).

# Appendix A: Survey Details

## Exhibit 15. Survey Respondents

Organization Name	Main Street Designation	Community
Downtown Bellingham Partnership	Community	Bellingham
Downtown Camas Association	Community	Camas
Centralia Downtown Association	Community	Centralia
Chehalis Community Renaissance Team	Community	Chehalis
Historic Downtown Chelan Association	Community	Chelan
Cle Elum Downtown Association	Community	Cle Elum
Colville Together	Community	Colville
Coupeville Historic Waterfront Association	Community	Coupeville
Ellensburg Downtown Association	Community	Ellensburg
Gig Harbor Downtown Waterfront Alliance	Community	Gig Harbor
Downtown Issaquah Association	Community	Issaquah
Historic Downtown Kennewick Partnership	Community	Kennewick
Kent Downtown Partnership	Community	Kent
Langley Main Street Association	Community	Langley
Mount Vernon Downtown Association	Community	Mount Vernon
Oak Harbor Main Street Association	Community	Oak Harbor
Olympia Downtown Alliance	Community	Olympia
Downtown Pasco Development Authority	Community	Pasco
Historic Downtown Prosser Association	Community	Prosser
Puyallup Main Street Association	Community	Puyallup
Ridgefield Main Street	Community	Ridgefield
Roslyn Downtown Association	Community	Roslyn
Selah Downtown Association	Community	Selah
Stevenson Downtown Association	Community	Stevenson
Sumner Main Street Association	Community	Sumner
Vancouver's Downtown Association	Community	Vancouver
Downtown Walla Walla Foundation	Community	Walla Walla
Wenatchee Downtown Association	Community	Wenatchee
Downtown Association of Yakima	Community	Yakima
City of Arlington	Affiliate	Arlington
Downtown Bremerton Association	Affiliate	Bremerton
City of College Place, Washington	Affiliate	College Place
Ferndale Downtown Association	Affiliate	Ferndale
Historic Downtown Snohomish Association	Affiliate	Snohomish
Waterville Main Street Association	Affiliate	Waterville

Source: BERK, 2021.

## Exhibit 16. Descriptions of Microenterprises

**Survey Prompt: “In your own words, how would you describe the microenterprises in your community? Skip if you don’t know.”**

Small business with 5 or less employees, most the time family own and operated.

Small restaurants. Possibly beauty/hair salons, tattoo parlors.

Creative, persistent, resilient, brave, hardy.

In the last several years, the City of Walla Walla has partnered with Mercy Corps to create a microbusiness assistance program, which is where many of our microenterprises that I'm aware of have begun. Many either don't speak English or speak it as a second language. They frequently don't locate in our downtown and either create businesses out of their homes or rent outside our downtown core.

Small home based businesses that are reliant on the being vendors at outdoor events and venues during the summer.

Understaffed, overworked, but successful because tourism has been high. But at the expense of their own personal sanity.

I don't see as many of the underserved in this category, however the small under 5 employees including owner is typical in my downtown. Also participate in 1 Million Cups....Almost ALL are in this 5 and under category.

trying to hold on during this time, they are trying new ways to attract customers

Most mainstreets are full of microenterprises. Retail storefronts, small bars & restaurants, among others are all microenterprises that we engage with regularly.

Most of my businesses in my district are micro businesses, most are less than 5 years old.

Mom and pop, sole proprietors

being a small, rural town, microenterprises are alive and well here. Some are even a staple in our community.

Boutiques, small restaurants and lounges, salons, yoga studios, galleries, historic theatre

Small businesses with 1 or 2 employees that range a wide variety of vocations.

very successful

They are the core of our downtown

Source: BERK, 2021.



## Exhibit 17. Supports for Microenterprises

**Survey Prompt: “In your own words, how would you describe the supports you provide to microenterprises in your community? Skip if you don’t know.”**

We provide the general support that we provide for all businesses.

We offer free trainings and resources, a marketing and technical support, lots of morale boosting, and we operate a Microenterprise Incubator.

This new space for us. In the past we have lumped everyone together

We provide the same support to them that we would to any other business, in that we offer free, personalized, technical assistance on anything they may need help with. We do not, however, actively reach out to offer our services to these groups.

Minimal at this time.

Marketing, special events, placemaking, clean/safe support, advocacy

I would say that it is the same provided to every other business in my downtown. I don't segment the type of support by business size.

Referral to thinks like the Supernova competition that the NCWEDD puts on annually to support Microenterprises. Also We work closely with Wenatchee Valley College Center For Entrepreneurship that directly addresses this type of small business.

help publicize businesses on our facebook page and direct others to the business for meeting

We attempt to provide marketing support and business awareness. We also try to provide resources to other needs.

We do not have much interaction

One on one, at a minimum.

We offer promotional/advertising support

We encourage folks to do business locally with small businesses, and microenterprises to cross promote.

Access to resources for business development and funding (esp during COVID); community events they can be involved in; keeping them informed and connected on all that's going on downtown

Gathering information and giving direction

We contribute to the Walla Walla Valley Microenterprise Assistance Program run by Mercycorps NW and the City of Walla Walla.

Resources, guidance

We provide support by promoting their business, providing critical information on state/City regs, funding opportunities, produce events to bring people into downtown, partner with them on various projects/events, create financial incentives (shop local cards, Shop Small) to get people into their stores. Provide training/webinars opportunities through our partners, liaison with City to address their challenges.

Very little at this time, would like to do more.

We offer to re post anything they want us to. And often crat FB postings and videos for them.

Source: BERK, 2021.

## Exhibit 18. Supports from Washington Main Street

### “Other” Responses to Survey Prompt: “How could Washington Main Street help you better support microenterprises? Check all that apply.”

Help coordinate on-site trainings workshops that we could offer to our businesses, where we could share the travel & lodging costs for the presenters with other WMS communities to make them more affordable.

Create a case study program for storefront redesign; many of our businesses are 'stuck in the rut' and refuse to change up their displays. They don't seem to understand how critical this is!

Source: BERK, 2021.

## Exhibit 19. Business Tracking

### “Other” Responses to Survey Prompt: “Do you track any of the following information about each of your participating businesses? Check all that apply.”

We can access reports of new business licenses.

We don't formally track this data. We know approximations of those items checked above. Should we?

Maybe the previous ED tracked, but I don't have this info

Our Board members talk with new or business leaving our town. No formal exit paperwork

Open during Covid, outside service, community partners

We are trying to use Maestro more to capture this information. There is a lot of data out there through DOR, how can we capture that info and use it?

Source: BERK, 2021.

## Exhibit 20. Questions about Microenterprises

### Survey Prompt: “What questions do you have about microenterprises?”

I would consider a small brewery a micro-business (2 or 3 employees) but your definition of \$35K startup costs or less would not apply.

Curious about the 5 employees including the owner. As I look at my businesses downtown - those with 10, 15, maybe not 20... seem to all face the same struggles.

How do we support them without stepping on toes of existing workshops provided by Chamber and EDC? Collaborate with those orgs or fill in gaps or both?

Training on the needs of microenterprises should be offered to full and affiliate members.

I'm not sure the difference between Microenterprises and "Small business"? Would like to better understand.

Source: BERK, 2021.

## Exhibit 21. Additional Comments and Questions

### Survey Prompt: “Do you have any other comments or questions?”

We do not have membership so it is difficult to track this. Finding data in a form easy to process has been difficult.

Data tracking training would be useful!

This has made me realize how very out of touch I've been with our microenterprise efforts. We need to do better! Help me do better?

I love all the ideas in Q9!

Our opportunities include the need to strengthen with our Chamber our Latinx population and their small businesses. Currently most are out of our district and the ones that are, do not connect as we would like. We have an indigenous businesses looking to locate in the downtown that was a part of our Peoples Marketplace in 2019.

I don't usually track the number of employees but generally have an idea. We asked for the employee number on the grant applications though, so I have that info on some businesses now.

I need a strong overview on Microenterprises so that I have the knowledge to work with those businesses who are emerging in our community.

Source: BERK, 2021.

# Appendix B: Case Study Protocol

## *Introduction*

Washington Main Street has received grant funding to study how Main Street Communities and Affiliates currently serve microenterprise businesses, defined by the following three characteristics:

1. Employ 5 or fewer employees, including the owner.
2. Require less than \$35,000 in startup funds.
3. Do not have access to traditional credit or other conventional funding.

BERK Consulting is supporting Washington Main Street in this study. We are interviewing a few directors of Main Street Communities to better understand your current awareness of microenterprises, your programs and practices that support microenterprises, and how you might appreciate additional support to better serve microenterprises. This interview will take 45 minutes or less. Thank you for your time!

## *Questions*

1. What are the primary ways you support businesses in your community? Think about all the ways you support businesses, including programmatic supports and beyond. Do you provide any of these services to microenterprises?
2. Why do you serve businesses?
3. What is the role of microenterprises in your community?
4. What are you most proud of in your work to support businesses?
5. What has been most challenging in supporting small businesses?
6. Are there any supports you'd like to start providing or provide more of to businesses?

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