



***WA Pandemic After Action Review
Task Force Meeting #5
June 23, 2022***

Our Agenda for Today



- Welcome
- Announcements
- Equity: Kevin Baker
- Presentation: **COVID Response Impacts on Minority-Owned Businesses**
 - Fernando Martinez, NW Mountain Minority Supplier Development Council
- Full Group Discussion

BREAK

- Presentation: **COVID Response Impacts on Business Owner Experience**
 - Tommy Gantz, Association of Washington Business
- Presentation: **Economic Indicators, Small Business Grants, & Supply Chain**
 - WA Department of Commerce
- Breakout Group Discussions
- Closing

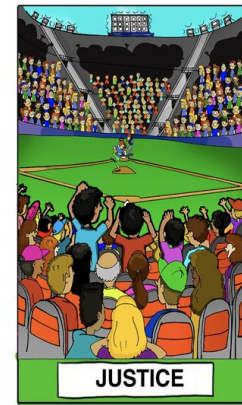
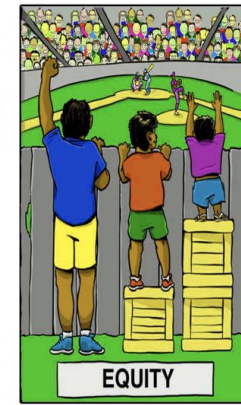
Announcements/Reminders

- Volunteer for Equity Meeting (to be scheduled)
- Individual interviews (non-government)
 - Please respond to scheduling requests
- Other focus areas outside B→ H for Steering Committee to work on
- Draft guidance for focus area groups/tasks, timelines, principles, equity



Kevin Baker: Equity

- Reminder: Please sign up for Equity Meeting
- Participants will help inform the guiding document(s)



Bulle Consulting

For years we marched, protested, fought, and asked for the wrong thing.

Fernando Martinez

- Covid response impacts on minority-owned businesses



Full Group Q&A/Discussion Points

- **Chandra:** In coaching and education, are you educating businesses about continuity of operations planning?
 - **Fernando:** Started coaching on business sustainability about four years ago. Succession planning, infrastructure design, ect. Haven't gotten into emergency support or emergency planning. The Labor Industry has training sessions for this kind of work.
- **Winona:** Are your slides available?
 - **Fernando:** The Task Force will post the slides. They are available to the public.
- **Matt:** Wondering about the impacts of insurance on minority-owned businesses.
 - **Fernando:** Knew that some insurance issues couldn't be recovered. Sometimes you get public agency support, and sometimes you do not. Disparities are significant. Can't insure for that type of loss. Made sure that everyone was applying for PPP. The first wave of PPP was very difficult. 80% of minority-owned businesses applied for PPP; 68% of this 80% received PPP.
- **Stacy:** Had to downsize and get out of contracts during the pandemic. We paid out over \$100,000.
 - **Fernando:** There is support within the minority business community. Most businesses (that acted quickly) were able to renegotiate leases and other contracts. Minority-owned businesses were supported by other members and MBEs. Example: event planning
- **Kevin Harris:** When a crisis hits, who do you consider to be trusted advisors? What's your ask of the Task Force? What are you hoping for?
 - **Fernando:** Advocacy is one of our four pillars. We've been able to protect revenue growth. I trust the majority of our corporate members (some members are only checking a box). I go to owners of minority businesses. We collaborate and seek advice. Outside of that, I have friends at UW and across the country. Our network is tight. The Task Force has an opportunity to create positive change. Publicly-centric instead of politically-centric. Politics have gotten in the way. WA is ranked 34th in terms of efficiency. That shows me that WA was overstepping its bounds. Businesses went under. Children suffered. What I want from the Task Force: get inside these conversations and produce a clean report. How we compare to other states and regions. What we should do in the future. Example: shutting down hospitals without consulting doctors

Full Group Q&A/Discussion Points

- **Kevin Baker:** What was the impact on businesses who could not afford accountants to apply for PPP?
 - **Fernando:** Couldn't access PPP. Applications were time-consuming. These businesses has no access to capital. There was no one to help them. They suffered. Didn't have the support structure that they needed.
- **Linda:** Many businesses didn't qualify for PPP. The PPP design prefers businesses with W2 employees. Businesses were left behind.
 - **Fernando:** Big loans went to big companies. Bankers were doing this because their commission was 3%.
- **Phyllis:** What are the key recommendations?
 - **Fernando:** There's got to be a way to help small businesses with administration (reporting, contracting, ect.) Building a hub and hiring people to help businesses with administration. How do we build a support structure to help small businesses with administration? Public agencies are good at paying on time. The private sector may take longer. Create a model where corporations have to pay within 30 or 60 days. MBEs fail due to a lack of cash flow. Trying to collectively address unfairness.
- **Kevin Baker:** Thinking about this socially, not politically. Scholar in the African American community has written about oppression. Oppression is politically-motivated and carried out. Political representatives aren't willing to create change.

Tommy Gantz

- Covid response impacts on small business owners



Linda Womack and Aditi Mukherji

- Economic indicators
- Small business grants
- Supply chain



Washington State
Department of
Commerce

Breakout Group Instructions

- Randomized breakout groups
- Question for discussion: **Respond to 'asks' from AWB and Commerce**
- Join your group's page to scribe each person's thoughts
 - **ADD YOUR INITIALS TO EACH BULLET POINT SO WE KNOW WHAT YOU'VE SAID!**
- Each breakout group has two pages for notes

Other Discussion Prompts:

- *Be curious! Share your own stories related to economic impact*
- *What questions did these presentations raise in your mind?*
- *What solutions/recommendations do you have today re: economic response and preparation?*
- *What other information would you like to have available to create ideas for solutions/recommendations?*

Breakout Group **RED**

- Supply chains are not one “thing”. It is multiple areas from logistics, to ports, to source materials. When looking at resolving these issues, the entire supply chain needs to be understood. TG
- If WA wants to resolve a reliance on buying items required to sustain our population in times of distress we need to focus on US-made manufacturing so we’re not reliant on Asian suppliers TG
- Inconsistencies occurred in neighboring jurisdictions due to who had greater COVID numbers—ex: one county requiring vaccine cards for restaurant service, while next door county did not MB
- Small counties without centralized information identifying minority-owned businesses could not provide targeted assistance—other than using our own personal knowledge and reaching out to businesses we knew, we could only hope those businesses were reaching out as other businesses were MB

Breakout Group **BLUE**

- FM: How do you build opportunities for businesses in the 'mid size' range? There is good support for small and the large companies are being supported but what about the midsize? What is considered midsize, there are varying degrees of what constitutes midsize? Some companies get 'graduated' out of the small size but they still need the assistance/support.
- FM: More concerted effort to identify the different non-profits. For example not all non-profits are social, there are business non-profits and others.
- BP: What was meant by 'Administrative burden' in FM brief? Burden comes in the reporting for some companies and also the detail, i.e. if subcontractor doesn't have the expertise in the reporting, it can cause significant delays in getting reports completed and accepted; especially contracts with public agencies. How do we automate the system better to eliminate some of the admin burden to small companies that don't have the resources or experience.

Breakout Group GREEN

- Appreciation for AWB dashboard.
- Wish we had the opportunity to have this conversation with whole group (not breakout)
- The difference in public health non pharmaceutical interventions between Oregon and Washington highlighted the difference in impact on businesses
- Pandemic vs. Earthquake: goals of intervention were to limit interaction vs. a physical incident where the goals are to optimize interaction
- The *novel* COVID-19 pandemic was largely a response to the unknown. In the first year, we were rapidly learning what to do, and how to respond.
 - Opportunity to focus on our State pivot from the unknown to the known and how proclamations were used during unknown vs. known period of pandemic.
- We should compare Florida to Washington to understand tradeoff in lives saved vs. economic benefit.
- Opportunity to work with business to understand what they can do vs. tell them what to do.
 - Example: Chelan Chamber of Commerce surfacing ideas, worked with CDHD to evaluate effectiveness and fast-track development

Breakout Group GREEN

- Opportunity for local public health to have two way communication with DOH. Local PHO felt their voice was not valued. Worth exploring the connectivity, interested in how do you manage span of control across all 35 LHJ/39 counties... How do we funnel feedback and information up to the bottom of the funnel.
 - CRESA was meeting regularly, and working with Dr. Melnek. Dr. Melnek (PHO for many SW WA counties) was available and accessible.

Breakout Group **ORANGE**

- Deeper dive into state asking businesses to pivot to manufacturing PPE, but then not purchasing any of it.
- (KD note taker) Collaborated with local distillery to help create and distribute disinfectant cleaner
- Cascading effects need to be recognized, for example cancelling an event (domino effect of cancelling event venue, tables and chairs, dry cleaners, caterers, etc.) It's quite a snowball effect
- A lot of impacts on business insurance (i.e. event insurance)
- Sustainability tied to continuity- gap that needs to be addressed
- It is difficult (time consuming) to create an emergency plan, yet it's very important.
- Constant pivoting (example: New Orleans when power was down, some businesses still had the credit card slide equipment to use when people didn't have cash, they could still take down credit card information)

Breakout Group **PURPLE**

Thank You...

...for learning and sharing with us today.

- Future Meetings: Fourth Thursday of each month
- Next Meeting: **July 28th** 9:00 AM to 12:00 PM

Link to AAR Website: <https://mil.wa.gov/pandemic-after-action-report-task-force>

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