



RESILIENT LOUISIANA COMMISSION

CO-CHAIR DON PIERSON

CO-CHAIR TERRIE STERLING

Retail and Small Business Task Force

June 1, 2020

Meeting called to order at: 4:00 p.m.

Task Force Members Present:

- Jessica Elliott
- Mayra Pineda
- Christine Bruneau
- Kelisha Garrett
- Edward Harold
- Allison Rouse Royster
- Trevelayn L Brown
- Shawn Brayton
- Edwin Neill
- Chad Bordelon
- Van Lam
- Maria Slater
- Angelica Rivera
- James Gobert
- Ronnie Slone
- Nicholas Felton
- Teresa Lawrence
- Blanca Robinson
- Brittany Dunn
- Belinda Zhou
- Sonya Jacobs

- Agenda and Roll Call
 - Kelisha Garrett called the meeting to order. Mayra Pineda took roll
 - Jessica Elliott read the Certification for Lack of Quorum
 - Review and Approval of Prior Meeting Minutes: Jessica Elliott called for approval of the prior meeting minutes.
 - Chad Bordelon moved to approve and Teresa Lawrence seconded. A vote was taken and passed, and the minutes were accepted as submitted.
- Review and Discuss the RSB Brief Description of Recommendations:
 - Kelisha Garrett began substantive discussion. Hopefully everyone was able to see the governor's statements as we move into Phase 2. We received some movement on our recommendations for tattoo and estheticians to reopen. Please take a look at the Phase 2 information and see where we have been able to make some strides in advocating for businesses to reopen.
 - Transition this meeting into the discussion of the recommendations to the Resilient Louisiana Commission, following the guidelines provided to us. Per our e-mail, each of our members to think about what we might want to include, then agree on the set of recommendations as a group. Asked for co-chairs for any additional statement; Sec. Pierson is also on the line.
 - Sec. Pierson: opening remarks were on track. We continue to get this information to the administration. Hopefully we're seeing that incorporated with good news for tattoo parlors and other businesses hoping for a light at the end of the tunnel. We're looking forward to getting as many small businesses back into business, keeping in mind the healthcare safeguards. This Committee has been doing great work.
- Review and discussion for the recommendations. Systemic problems and solutions?
 - Understanding that we will have duplicate responses.
 - Mayra Pineda: We have already prefaced with the general recommendations and shared with the task force. The leaders hearing a lot from membership regarding the need for PPE, technical training, and going deep into our small and particularly microbusinesses, who have been impacted so greatly. Stressed need for employees and business owners. Need education on PPE and proper use; following guidelines to avoid backfire on the measures being taken right now.
 - Sec. Pierson: Certainly big wealth of available resources.
 - Community College system and others providing certification course on PPE; Andrew will get us that info
 - La. Emergency Business Operations Center – will provide that info – as a clearinghouse for PPE as well
 - Shortage in the marketplace initially but a lot of available outlets now for masks, gloves, etc.
 - FEMA has a matchmaking site available and be matched to available vendors.

- Mayra Pineda: price points and quantities are an issue
- Sec. Pierson: Market determines that but the volume of different outlets and locations he thinks is driving prices down.
- Kelisha Garrett: one of the recommendations is more geared towards creating a created industry. Creating a group or institution that could provide transitional businesses services – like GNO Pivot where businesses could get into or transition into model, supplying or identifying PPE as a small business and build as an industry/service area. Forecast is bleak re the number of small businesses who will survive the COVID crisis under their pre-pandemic services. If some way to provide assistance in transitioning into a new business model and industry: access to short term funding, grants, services, etc., to pivot into a new industry.
- Jessica Elliott: Who would be intended audience for that?
- Kelisha Garrett: Would bounce it back to LED to have some input from them and for implementation. Maybe business development center or chambers of commerce to partner and identify businesses that could participate. Might be a joint effort from implementation side but managed/overseen through LED. But would be a statewide-capacity instead of just regions.
- Angelica Rivera: recommends marketing strategy to increase customer demand. Even though opening businesses, customers are still hesitant to come. Also, legal advice for small businesses.
- Kelisha Garrett: For technical assistance provider – definitely want to include that – wrap-around services - marketing, legal, accounting. Separate and apart, love the marketing campaign strategy. Also discussed with Mayra and Ben - some form of an overarching landing site or page to let people know who is open and what they are providing. Since businesses have to register with the Secretary of State, maybe some way for them to self-attest that they are in fact open, but the onus on the business owners to input their hours of operation, other business information.
- Chad Bordelon: idea of a mock no pressure inspection for businesses that could come from other people to go over their reopening “plan.” Example of a local, unnamed skating rink visited by his friend, who someone reported the skating rink [as uncompliant] and now they are going to be shut down. But the friend stated that skating rink had done nothing, changed nothing, to comply. The friend told the skating rink owner that he had to try, and started giving some pointers based on the work that she been doing. Example of a small business that didn’t have a lot of ideas – no masks for his employees, no plan for social distancing, etc. If we could create something that is no-pressure, like a buddy system, would really be helpful to businesses.
- Second thing is what if you have an employee who does come down with COVID after returning to work. Obviously you send them home. But if there were some packet of guidance to have some consistency.

- Mayra Pineda: we could leverage our relationship with LED, Secretary of State, and Workforce Commission for something like this. Unannounced inspections are always stressful, even if you are running a good business. Maybe something announced and scheduled to help you prepare for the following phases, or make sure you're doing the right things, would be amazing. We can work with the other agencies for that.
- Chad Bordelon: could even be done over Facetime and avoid a physical visit. Guy at issue had no signage for social distancing, no hand sanitizer at the door. We kind of take this for granted because we've been living a little deeper into this, but a lot of these people haven't and those are the types of businesses that are going to fail fast.
- Kelisha Garrett: Thanked Mark for sharing in the chat bar. Make sure to pay attention to the information in the chat bar. Sec. Person sent the link for PPE and Mark placed some information from Tulane Medical School and what they've been doing as far as some walk-throughs. With our committee being statewide we can learn from the resources of others. If your area has these types of services we can blend the model or at least share them, to empower our businesses to get to a state of what normal is going to be. Also, we had asked for a decal that businesses could display to self-attest that they are following the state/health guidelines. That goes along with what Chad and Mayra were talking about – maybe a green checkmark displayed that shows that they've been inspected and passed and the customers know that the owner has taken the extra steps.
- Angelica Rivera: We can get all the information from all the different sources, but really need guidelines that are easy to access that come from an entity like the Center for Economic Development Center that all small businesses can have access to. Employees, guidelines we need to follow, that can be shared with all small businesses.
- Jessica Elliott: So much information out there. Really like the idea of some kind of handbook for small businesses. So many different sources and resources but something that we or the state could put together for small businesses, like a “one stop shop” thing, and not have to wade through 50,000 different links on a website.
- Ronnie Slone: What we're looking for is a “trusted source” for information that's short and sweet. His concern is the technical assistance not just for this crisis but also after this. SCORE, SBDC, LED, mentioned Goldman Sachs model that tracks its participants. Need to be some way to keep people's feet to the ground of what they need to be doing because something else could happen. In Hurricane Katrina, there was a lot of technical assistance but some people started to wane off because nothing happened, and then we have this COVID-19 that no one could foresee, and now we have people starting all over again, which makes them not eligible for the first round, and sometimes even second or third, by the time they

cross t's and dot i's. Broad access – already mentioned in May 11 document – to technical assistance, business counseling, reopening advice, part of the considerations for a successful workplace. SBA, SBDCs, programs in just all across the state to track businesses and hold their feet to the fire about crossing t's and dotting i's, and that would make the process so much easier moving forward.

- Mark Schettler: BRACE program – Tulane's med school put together guidelines for reopening and will do walkthroughs. Working with several organizations to expand the program. Primary focus is on the service and hospitality industry but want to make sure it will be available to all small businesses and scalability to make it available to those outside of New Orleans. Happy to offer bringing that to the group. If people want to offer feedback they welcome it, including if businesses want to put their name on it and get behind it. Mark's email is in the chat.
- Chad Bordelon: From Mark's idea – Chad's daughter-in-law is at LSU Med in New Orleans and they have nothing to do right now. They would be good for a partnership. Suggests virtual visits as a better idea.
- Chrissy Changho Bruneau: Need language access to get these ideas to the communities, some of whom don't even realize these resources exist. Needs to be centralized and state provided to get a consistent message and a consistent translation. Translators who are familiar with the intricacies of the non-English and English language, plus the technical aspects of what we're dealing with, is really difficult and super expensive.
- Mayra Pineda agrees.
- Ed Harold: Access to capital issues is probably the most critical for small and microbusinesses. Hopefully the state can do something from a policy perspective to create incentives for banks to engage in community banking, lending to small businesses. We would be remiss if this was not one of our recommendations.
- Kelisha Garrett: we are watching some things that have been proposed in legislation. Small business grant fund, similar to something passed in Mississippi. Not final yet but SB 189, authored by White. We do have to advocate for some sort of funding. Many of our businesses in the community did not have a banking relationship or were denied access to EIDL due to credit scoring criteria. Hope we would consider and recommend that if there is a grant fund that is provided, it is based off of the business being in existence and having credible tax payment history but not be based off of the credit criteria of the business owner because it will negatively impact/exclude the businesses who need it.
- Mark Schettler: HB 846 could be interesting: 5 employees at \$40,000/year salary for a 6% payroll tax credit. Lending institutions or perhaps even LED – if they could front that tax credit to begin with, would help the business owner get online to begin with. That is one of the challenges with HB 846. Heart is in the right place but if a business is holding on by a thread, then how is it supposed to hire 5 people at \$40,000 to begin with.

- Kelisha Garrett agrees.
- Mark Schettler: Even scaling it down based on the size of the business. How is small business even defined? For some “small businesses” 5 people at \$40,000 each is no problem; for others, that exceeds what the owner makes. Scaling it down could be a valuable place to look, as well.
- Kelisha Garrett: Another recommendation – expanding the use of small local businesses into contracting opportunities from a state perspective. There is a local first ordinance that has been on the books. Representative Deshotel has asked for additional utilization of local businesses before going to outside businesses. Posing to the group as another recommendation – first using as a minimum the local first program, and second, looking at what that percentage of utilization is and how we can increase use of our local businesses first. Not only keeps taxes and revenue within our business community but help keep these businesses alive
- Mayra Pineda: Procurement is the related big topic. Campaign of supporting local for procurement goes hand-in-hand with what Kelisha saying. We need to make it intentional and enforceable and really treat it as a priority.
- Kelisha Garrett: This is already codified but we really need to understand how it can be enforced. At a minimum, state procurement or those quasi-governmental agencies that are receiving capital outlay dollars and are being used in our state, need to enforce local first preference with our vendors for some of those opportunities.
- Nick Felton: dovetail into dealing with COVID and looking forward into hurricane season, need guidelines, especially businesses south of I-10. Advised that we are going to have to leave a little earlier, bring a few more things. It’s one thing for employees, but what do businesses do if their employees want to leave early to take care of hurricane-related matters? Need guidelines on what is expected and how businesses and employees should deal with this.
- Kelisha Garrett: Also wanted to ask about – doesn’t really have a recommendation – but as we move into phased reopening, we can return to business but there is a limitation on how much money we can make because of reduced footprints, operating hours, or number of clients/people being served. We forecast off of what our projections were to be. But not with an invariable reducing what those projections were, what are the things going to be in place to help businesses where revenue reduced but expenses are not. Any suggestions or concerns?
- Mayra Pineda: Definitely all hearing that. Trying to get through the 2-3 months and it is just not adding up.
- Ronnie Slone: Restaurants saying at 25% really nothing, at 50% might break even, but need to be at least 75%. He thinks that the hope is that each phase will move faster than people are expecting.
- Kelisha Garrett: here is the monkey wrench. Heard that we’ve been looking at 6 feet as a determinant for social distancing. Even if we allowed businesses to open

at 100%, the 6 feet requirement may cap occupancy of a space before it even reaches 50% capacity. So, what do you do? Especially with smaller mom and pop restaurants and bars. Distance limits the heads and bodies that can enter a space.

- Jessica Elliott: That's an issue with smaller retailers, too, especially clothing retailers with a smaller footprint. With spacing and occupancy cap, what trumps the other?
- Kelisha Garrett: As far as guidance – clarity on what is allowable? Even 50% occupancy in Phase 2 might be more than what's allowable if we maintain 6 feet distance. The spacing issue is a huge strain and limitation on a business. None of us want to see buildings empty. What are some solutions? What can we do to increase the chances of viability for a small business to successfully operate? Subsidy? Loan program? To help the business owner when this pandemic and not the business offering is defining what their business model is.
- Nick Felton: hears the same thing. Also, the cost of hiring someone to police all of this in addition to doing what you used to do, but at 50% occupancy at best. The loans will help survive for a little while, but won't be there indefinitely. At a loss on how we put all this together.
- Mayra Pineda: issues with people not wanting to come back to work? Through HCCL workforce program, has been able to place people into jobs every week. It was a concern because of the amount of available employment but she's not seen it as much.
- Angelica Rivera: She has heard a lot of companies having problems with that – employees not wanting to return to work because of the amount they can get in unemployment. And although an employer can report a non-returning employee to the workforce commission, it doesn't help that much. Should be something that comes from the Workforce Commission to demonstrate, rather than the employer. Because then you have an employee coming to work that is not going to work well.
- Brittney Dunn: Run into this, as well. Also, where they ask someone to come back to work but only one day a week. Let's say a nurse is laid off and she's only working 1 day a week versus 5, but the 1 day would be enough to terminate unemployment. What does that employee need to do at that point? Want to be in compliance, but not making what they made.
- Mayra Pineda: Trying to get Sec. Dejoie to join us to answer those types of questions. The fact that the nurse is coming back to work just for one day, that's still reducing her time. In that case, she does have an option if she's not coming back full time, right?
- Angelica: they were able to bring people back to work but not the full 40 hours; but 10 hours or 20 hours. They did report that to unemployment, and they reduced the amount that they were making to their actual pay. They were still getting paid the remainder.

- Kelisha Garrett: GNO Inc. and LWC put together a calculation where they were defining the eligible threshold amounts. Does believe that certain professional services, a shift would exceed that amount; in that situation, we should reach out to Sec. Dejoie and the LWC office about what a recommendation would look like. That person would be in a precarious situation.
- Teresa Lawrence: if you work at \$40 an hour for 40 hours, it's always going to go back to what your salary was before. So, you can still meet the employer's requirement for you to come back, and you can still maintain your unemployment check averaging what you used to make. So, you don't need to override one for the other. If employer isn't schooled in the proper way to approach the employee, then it becomes a deterrent. So sometimes it's the employer not having enough information to be able to have the conversation with the employee. Not for the employer to deter the relationship with the employee, but to encourage the relationship by little by little weaning them off the unemployment check. Pictionary is the way that OSHA encourages all languages to communicate. Important to go back to that analysis when we are putting information out. Universal language to communicate with people who have language barriers. The thought of the face and zoom meetings with these small businesses is wonderful but we still need fairness and transparency to be able to communicate. Technical colleges have a lot of access of information. These are times to tap into them with work with them to get the message as clear as we can.
- Mayra Pineda: Those boards that we get from the employment offices that have the pictures of handwashing and different guidelines to follow. The same can be done with retailers, construction.
- Brittney Dunn: Looking at the document – does say that it voids it. And they said that on the LWC call. Could we recommend to business owners who think they're doing their employees a favor by allowing them to come in and work one day to get some revenue, but it really would be better if we could just get the ones who they bring back full time? That way not putting those not working at risk of losing unemployment.
- Mark Schettler: Imperfect workaround that only lasts as long as PUA does. 6 employees, 14 shifts. 2 people work 5 shifts each, basically full time; takes them past the unemployment threshold. Other 4 people each work 1 shift; that keeps them under the \$247 and they can still get the \$600 PUA. They switch it around. Builds in a 2-week quarantine period, too, which counts as a reduction due to COVID-19. Talked to the LWC about it and they see no reason why it wouldn't work. Good as long as reduced hours for COVID.
- Teresa Lawrence: Doing 2 things with that; make sure keep track for Workers' Comp. Created a separate/safe system to track a COVID victim. Systematically controlling your own environment of the traffic of e Small Business and Retail Task

Force potential exposures to the virus. Very good but take it to the next extent. Keeping track is important for workers comp people to know about this extra step.

- Mark Schettler: Another point of people being reticent to get back to work. It's true and we can't really blame them. Federal median income is 62000/yr. - \$247/day 5 days/week for 50 weeks. \$247/week is the Louisiana state determination. 5X below the federal median income and you still don't get any help. Solutions are not presently here. Saw a bill for supplemental income but who knows.
- Mayra Pineda: RLC meeting Friday – presentations about incentivizing e.g., a single mother wanting to get a nurse's certification; otherwise she would not be able to. But we need those careers.
- Kelisha Garrett: Entrepreneurial committee that she's on has started to look at some of those things like barriers to licensure, costs, etc., that are deterring people from going into some of these professions where we need employees. Looking at what we could do to mitigate. Need to look at fast track measures – done after other disasters. Need to be focused on the industries that are going to be actually operating. Need to be realistic that many of these businesses are not going to be able to keep these doors open. Do not want to become Detroit. Have to keep that in mind for funding, technical assistance, access to work, licensure, things of that nature. Plus, some sort of community banking options to increase relationships between businesses and local funding institutions, and have lower barriers of entry to access funding. Maybe have funding tied to graduation or understanding utilization of it. Maybe mixed grant-fund model that can be paid back and have the next business use it – CDFI model.
- Dorian Nunez: Glad we're talking about equity and capital, but make sure we also equity capital, have to have it across the board. Also transition capital if these businesses fail, have to have other capital come in to help transition new owners, buyers, bankruptcy courts. LED best to manage, promote, advise, train, provide capital on how to do it. Procurement – let's scale up Louisiana First. Use LED to get firms to march into federal government and say give us business. For employees – need to figure out a way to get everyone medical insurance. Will put everything in writing. Doable and LED is a great group with a lot of programs. Some underutilized but well-funded.
- Kelisha Garrett: May want to have Stephanie Hartman from Sec. Pierson's office to provide us with insight/overview on what is currently available; look back at programs that are currently underutilized and direct businesses to them. Will also reach out to LWC what they've been seeing and hearing re transitional training, esp. for those industries that are going to have business but are having trouble finding work staff
- Mayra Pineda: design something around grant programs to make sure that we are mindful of keeping those barriers low so that small and microbusinesses can

be eligible. If we are asking for a relationship or personal guarantees or other things that they don't have, they'll just get discouraged.

- Kelisha Garrett: One of the things we might want to think of as a suggestion. May of those who were not funded through PPP or EIDL are because they did not have their paperwork in place. Need full incubator services. Might not have understood how to set up their organizational documentation, what end of fiscal year, payroll taxes, those kinds of things – if we can find some way with the request for technical assistance, etc., full incubator services, we want to highlight.
 - Dorian Nunez: This isn't new. Look at medical office practices – doctors don't do the business stuff. Good works networks had a great program where CPAs doing the books (not sustainable economically). Put accounting students who aren't working together with microbusinesses to volunteer. Need to treat business owners like we do doctors and handle the business side for them.
 - Mark Schettler: has there been much view on what neighboring states might have unmet demands or unable to meet demands. Could that potentially be fertile ground for additional business for Louisianans. Has LED looked into this? Not enough money in the cities and communities to support what we need to do to get back.
 - Sec. Pierson: Looking intensely at ways to ramp up business for small businesses. Last year received award for suite of services for small businesses. Watching what all the states are doing. Looking to take every resource available – or not available and go find them – and bring home technical assistance dollars, etc.
 - Kelisha Garrett: definitely going to take Sec. Pierson up on working with you over the next few years to increase the impact on minority businesses and businesses who are in dire straits at this point.
 - Sec. Pierson: whole new crowd now of people who need help who didn't need it before – learning what's available, and we need to clearly communicate what's in the toolbox. Small business centers throughout the state.
- Next Steps
 - Closing Remarks and Adjournment
 - Kelisha Garrett: Thanked members for their continuing hard work, input and dedication and Edwin Neill for assisting us in working through the recommendations for the tattoo and esthetician's concerns.
 - Jessica Elliott: remind everyone to review the guidelines again for a comprehensive game plan and email suggestions to the task force leaders. Great email from Van earlier today. Report due June 12th so we're short on time.
 - Mayra Pineda: Our presentation to the Commission is June 16th at 10 a.m. Want to have enough time to make sure we discuss the final document with everyone.
 - Kelisha Garrett: we will review the video, get the minutes out, and make a grid of the recommendations. So, if we have by close of business on the 3rd, then we can get them to the group in time for discussion and approval on Monday.

- Mayra Pineda: no subcommittee meetings this week, let's just concentrate on the guidelines and recommendations.
- Meeting was adjourned at 5:29 p.m.
 - Ronnie Slone moved, Jessica Elliott seconded