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From: Johnson, Kristiana

Sent: Friday, June 12, 2020 3:58 PM

To: Doherty, Patrick <Patrick.Doherty@edmondswa.gov>

Subject: Cares fund

Patrick,

In my comments last week, I suggested that you consider the sales tax revenue as a variable in determining which small businesses would get the limited fund. I would like you to seriously consider that as important because we want to support successful businesses with as many employees as possible to help both small businesses succeed and keep as many people employed as possible.

If you allow 1-30 employees to apply for the grants you would accomplish two things. First you would make it fairer to all small businesses not just storefronts. Many of the single businesses have suffered too. Think about the Mosaic business at 5th and Dayton; it looks like a storefront but each beautician is actually a single proprietor. Second, by using sLes tax, you would drop most of the single businesses down to the bottom of the list.

I think essential to this discussion, is what are trying to accomplish. Are we trying to ensure the most successful businesses for the future economic success of Edmonds, are we trying to keep the most number of employees, or are we trying to prop-up businesses theater have suffered the highest losses. Finally do we differentiate between business sectors that had to close their doors like nail salons, barber shops and gyms and businesses that remained partially open like coffee shops and restaurants.

I think we need to set aside our personal biases and use criteria that support the economic vitality of Edmonds. Using absolute numbers like sales tax and numbers of employees accomplish that. Using subjective criteria like location inside the bowl or not, minority owned businesses, or creative business within the creative district do not have the same goal.

Is it fair to support an Asian owned business instead of a white owned business with the same number of employees? I don't think so. We do not have an affirmative action program. Do we differentiate between the Asian who has been in the United States for eight generations and the new immigrant?

I think a sliding scale for sales tax and a sliding sale for employees is fairer. It would allow all companies to fairly compete for limited dollars, even if you wanted to extend it to all small businesses that had to close their doors whether a single proprietorship or a company with greater than 30 employees.

Try running your hypothetical spreadsheet with sales tax and without credits for location and racial biases to see what happens.

Sent from my iPad