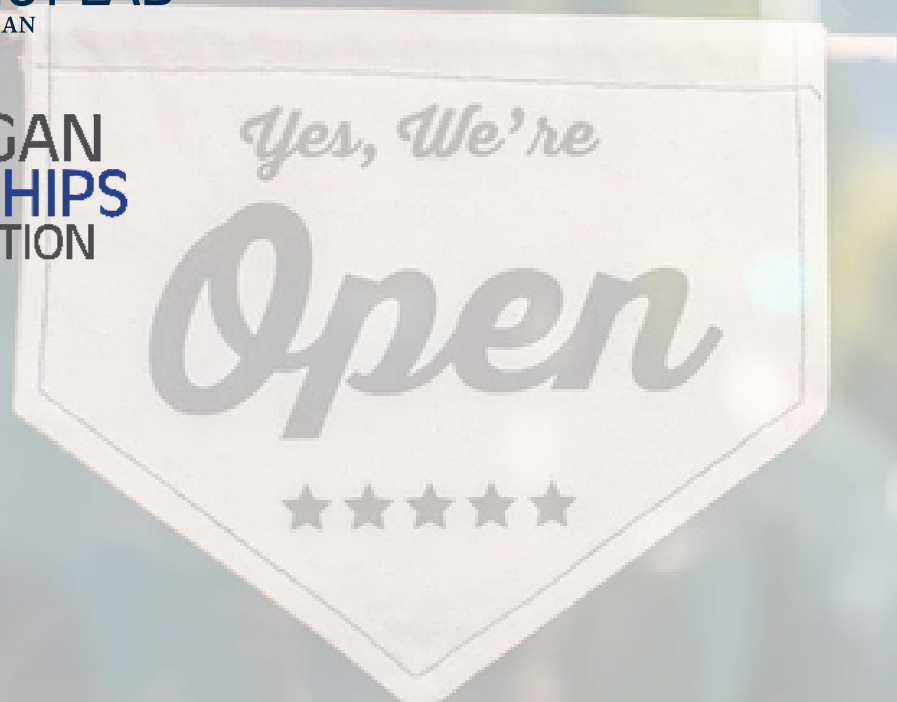


MICHIGAN
TOWNSHIPS
ASSOCIATION



BUSINESS REOPENING BEST PRACTICES FOR TOWNSHIPS



EXECUTIVE SUMMARY

As businesses and townships develop and implement their health-conscious reopening strategies in the midst of the COVID-19 pandemic, Ford School of Public Policy student researchers developed a coronavirus economic analysis and reopening best practices brief on behalf of the Michigan Townships Association. The research team found very few permanent business closures as we enter the fifth month of the pandemic; however, different industries have been impacted asymmetrically, and townships leaders are concerned about a wave of business closures in coming months as the economy struggles to recover. And as townships design their individualized reopening strategies ahead of an anticipated second wave of infections, leaders must carefully consider the unique coronavirus risk—determined by geography, population demographics, and level of commercial activity, among other factors—faced by their community.

A review of best practices from townships across the state has identified important actions townships can take to limit the economic impact of COVID-19 and assist businesses during the reopening process:

1. Ensure township government responsiveness amidst any future shutdowns
2. Coordinate communication and information sharing
3. Tell businesses about grants and funding opportunities
4. Continue suspension of utility late fees and shutoffs
5. Work with businesses to creatively repurpose space
6. Simplify and expedite permitting processes
7. Ensure residents have access to broadband
8. Modify code enforcement strategies
9. Develop “buy local” campaigns to stimulate spending

RESEARCH METHODS AND INPUTS

In our analysis of best reopening practices, we utilized recommendations from policy leaders at both the state and national levels. We utilized guidance from Governor Whitmer's [Safe Start Plan](#), the [Spectrum Health Employer Guide](#), the Cornerstone Alliance and CDC's [SW Michigan Business Guide](#), the [COVID-19 Local Fiscal Strategies Guide](#), and the Brookings Institute's [Reopening America](#) policy and business guide.

In addition to secondary research, the research team completed 12 interviews with township managers and superintendents. The communities represented the Upper and Lower Peninsulas, as well as primarily residential townships and those with a large commercial presence. The population of the townships represented in the interview data range from roughly 3,000 to 53,000. The team also consulted and gathered recommendations from three economic development organizations and chambers of commerce representing different regions in Michigan.

ECONOMIC IMPACTS OF COVID-19

Michigan experienced a more dramatic increase in unemployment relative to the national average and has been slower to recover. Unemployment increased from 4% in March to 24% in April. The most recent Michigan labor statistics indicate that unemployment fell from 21.3% in May to 14.8% in June, driven largely by significant recalls in the auto industry.

While the Governor's restrictions have since eased somewhat, jobs have recovered unevenly across industries and regions. Employment has seen some recovery in the industries of construction, trade, transportation and utilities, and professional and business services. Unemployment continues to grow in the industries of housing and hospitality, mining and logging, information services, and government.¹

BUSINESS IMPACTS OF COVID-19

Few closings have been identified in the 12 communities we interviewed, a positive sign as the economic impact of COVID-19 continues to evolve. Township superintendents and managers heard the most urgent financial concerns from restaurants and hair salons, which faced some of the steepest service reductions during the pandemic.

Many communities have not experienced many business closings yet, which could be attributed to delayed rent and utility payments instituted by landlords and townships. While reopening has allowed for businesses to resume operation, many are seeing reduced traffic from customers, especially in areas that rely on students and tourists for their businesses or are far from urban centers. Reduced revenues could exacerbate the difficulties of catching up on months of delayed debt, a troubling sign in light of many commercial rents in April and May having been left unpaid.²

One regional economic development organization in Western Michigan expects small business and rural business will struggle the most during COVID-19, due to their tendency to have a smaller financial cushion to fall back on. They are experiencing a severe lack of liquidity and access to cash, compounding the financial and businesses distress that some were experiencing before the pandemic began.

Businesses have been swift in altering their policies to ensure a safe resumption of operations. Most have had little trouble enforcing mask requirements, and some have coordinated with their township to identify opportunities to expand capacity into the street, public parks as well as building outdoor patios.

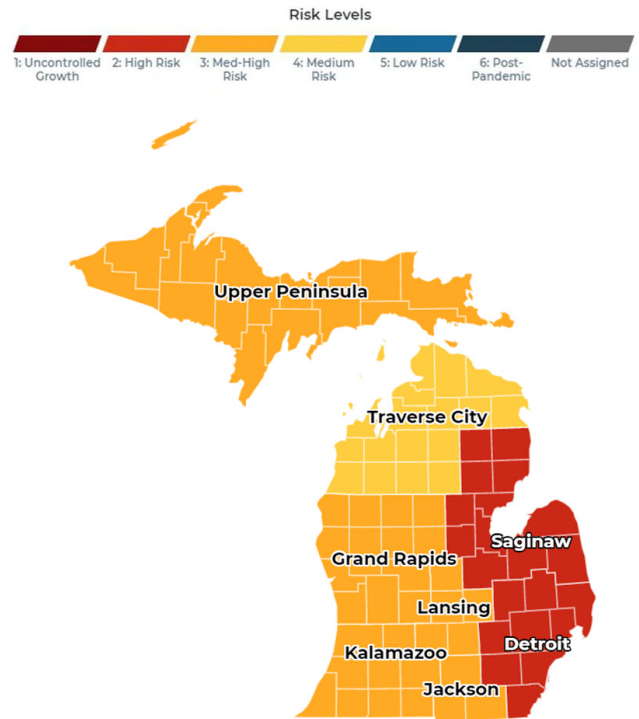
“ Businesses have been **swift in altering their policies to ensure a safe resumption** of operations. ”

COVID-19 HEALTH DEVELOPMENTS

Since peaking in April, COVID-19 cases in Michigan have been steadily declining,³ but it's unclear how this will change as reopening continues across the state, as students return to campuses, and people shift their behaviors in the Fall and Winter seasons. Additionally, the pandemic may be more widespread than we believe. According to the Chief of the CDC, it is possible that there may be as many as 10 undiagnosed COVID-19 infections for every one positive case.⁴ Dr. Anthony Fauci warns it will be difficult to safely return to normalcy absent a vaccine, which is optimistically expected to be developed by the end of 2020.⁵

Coronavirus risk is unevenly distributed across the state, and townships should consider the risk associated with their geographic location as they continue to reevaluate their reopening strategies (Figure 1).⁶

Figure 1: COVID-19 health risks vary across the state.



Source: MI Safe Start Map, Accessed Aug. 24, 2020

RECOMMENDATIONS

Most township managers and superintendents have noted that the role of township governments in supporting local businesses is somewhat limited. However, township leaders are finding creative ways to fill gaps and proactively support businesses in their localities, including facilitating new uses of underutilized event spaces, putting permitting processes entirely online, and beautifying commercial corridors to indicate that businesses are open. It's important for them to act swiftly and innovatively in order to prevent as many closures as possible.

1. Ensure Responsiveness of Township Offices

Knowing how critical township services are for businesses and community members, most have stayed open by altering their office operations to enable work from home and no contact dropoffs. Many provided their staff with computers and internet accessible devices to enable working from home and reduce transmission. For town halls that have been opened to the public, social distancing organization of the interior has been utilized along with temperature checks and the use of a drop box for documents and bills. Others have enabled permit applications and bills to be sent in through their township website.

As businesses continue to resume operation and make up for lost revenue, it is important for townships to track the financial security and status of their businesses. One chamber of commerce recommends townships send out surveys to track this information and modify their policies and initiatives accordingly.

2. Coordinate Communication and Information Sharing

With guidelines, requirements, and available support programs changing almost daily, township managers universally cited the importance of proactively working with other units of government and local organizations to provide coordinated, clear communication to residents and businesses. Throughout the pandemic, residents and business leaders have expressed confusion about which guidelines and directives to follow. While most townships are adequately responding to requests for information, those that have proactively convened a group of local government and economic development leaders to coordinate communication and messaging have deemed their coronavirus response particularly effective.

For example, several township managers shared that they have weekly check-in meetings with representatives from the county government, neighboring townships, local health departments, and the local chambers of commerce to ensure they are aligned on interpretation of state guidelines and messaging to residents. One manager worried that with the "flood of information" disseminated to residents, township communications struggled to "cut through the clutter." By speaking regularly with other organizations and government units communicating with residents, managers have found that they can successfully coordinate communication cadence and messaging to ensure recipients have the information they need without feeling overwhelmed by conflicting or too-frequent emails and mailings. Some townships have also utilized physical mailing to cut through email clutter and effectively disseminate information.

For townships that have not yet coordinated communication with neighboring communities and chambers of commerce, we recommend reaching out to set up regular check-ins to discuss communication timing, areas of confusion and concern among residents, and how to clearly explain recent updates to public health guidelines. For example, if the county writes an article about COVID-19 precautions and emails it to residents on Monday, the township could follow up with an email later in the week linking to the county website and reinforcing the guidance in similar language. Similarly, if a local chamber of commerce is hosting a webinar for business owners about how to safely re-open, the township can include the registration information in their own communications.

Finally, some townships have teamed up with chambers of commerce, county health departments, and economic development organizations to establish a single streamlined resource website for the region and create a branded health campaign in which businesses can opt to be “certified” or pledge to abide by public health guidelines for re-opening. By establishing regular conversations and an open line of communication, township leaders can minimize their own time spent gathering information while minimizing confusion among residents.

3. Tell Businesses About Grant and Funding Opportunities

Townships should ensure employers and employees are aware of funding for returning to work. As a result of Gov. Whitmer’s executive order, the state has expanded its [Workshare Program](#) to accommodate a wider breadth of businesses. The program allows businesses to reopen with reduced hours and wages due to a supplement from the federal government. As loan and funding programs are developed or extended, townships can also work with other local entities to clearly communicate which opportunities are available to Michigan small businesses.

As businesses struggle to make up for months of accumulated debt while being mandated to operate below full capacity, it’s important to communicate the [local](#), [state](#), and [federal](#) funding opportunities available to them. Additionally, townships should communicate with their local chambers of commerce and economic development organizations to identify grants specific to their region and disseminate information to their business communities.

4. Continue Suspension of Utility Late Fees and Shutoffs

In accordance with state guidelines, townships that manage water service and other utilities have suspended disconnections and late fees for non-payment of bills. However, some went above and beyond requirements and expectations by proactively suspending late fees and shutoffs before being required to do so. As businesses re-open, often on shaky financial footing, townships should consider further conversations about payment plans and suspension of late fees to ensure utility bills do not serve as a catalyst for business closures. Across the state, liquidity and ability to pay bills remains a top concern for businesses, particularly those that missed out on several months of revenue during the stay-at-home order. While townships cannot directly remedy the financial difficulties facing businesses, they can work to ease the burden of utility bills, as long as doing so remains financially feasible for the township itself.

5. Work with Businesses to Creatively Repurpose Space

For townships that have larger arenas, stadiums, or other spaces that are not able to re-open under current public health guidance, we recommend proactive outreach to determine if there are possible creative uses of the space that will fill unmet needs in the community. For example, one township helped facilitate an outdoor, car-based church service in the parking lot of an auto racing track by connecting church representatives with venues that had large parking lots. In another township, the local minor league baseball stadium parking lot has been used for trade shows, farmer’s markets, and sidewalk sales that allow social distancing. Finally, a number of townships have opened up park space for socially distanced recreation, and in some cases, managers have allowed local gyms and fitness studios to host fitness classes in public parks during off-peak hours. In other places, townships have utilized unused parking lots and fields as food distribution centers in order to remedy the reduced function some shelters and nonprofit social service organizations may have. In partnership with local businesses, township leaders should evaluate opportunities to repurpose underutilized public spaces to promote commercial activity and strengthen community foundation.

6. Simplify and Expedite Permitting Processes

Several townships emphasized the importance of putting their permitting processes online to allow residents to apply for permits, check the status of their permits, and receive permit approval without ever visiting the township office. For those that already had virtual processes, managers highlighted the importance of ensuring clarity on the website and actively supporting residents who had questions as they moved through the online permitting process. Expediting the permitting process has also been critical in many townships. It allows for businesses to quickly increase their cash flow by operating in higher capacities, which in turn raises townships' tax revenue.

7. Ensure Residents Have Access to Broadband

The closure of schools and libraries has amplified the digital divide communities have across regions and socioeconomic classes. Ensuring community members have broadband access will help facilitate remote work and learning, which will reduce the long-term impact closures have on employment and education. While long-term solutions could include forming broadband co-ops and joint project ventures with other local units of government, more timely solutions should focus on ensuring residents have public access to WiFi. For example, providing and advertising WiFi access in library or township office parking lots will ensure that community members are able to apply for unemployment benefits and business owners can apply for grants and funding opportunities.

8. Modify Code Enforcement Strategies

While townships have not changed their official code enforcement policies, many have chosen to re-prioritize their enforcement strategy. Many township managers noted that they have stopped enforcing sign ordinances for businesses that are attempting, in good faith, to communicate changes to their hours, service offerings, and health and safety requirements for entry. One township furloughed their code enforcement officer for the duration of the stay-at-home order, noting that the township board was not comfortable enforcing codes like grass-height requirements when residents might not be able to safely cut their grass or hire someone to cut it for them.

9. Develop “Buy Local” Campaigns to Stimulate Spending

Losing a business will be more detrimental to townships' tax income and financial security in the long term than if they were to take action to keep businesses afloat. “Buy local” campaigns can take many forms. In one example, a major manufacturing employer purchased gift cards to local restaurants that were then distributed to their employees. While a township doesn't have the authority to purchase gift cards, it still has the ability to propose the idea to large businesses. A more traditional public-private approach to encourage consumer spending is instituting a discount day, in which the townships advertise small discounts at participating businesses; however, township governments must be careful not to favor one business over another. Another area took a unique approach by creating a “virtual downtown,” a website containing listings and contact information of businesses in the community.

Along similar lines, one township manager emphasized the importance of demonstrating that the commercial district is open for business by maintaining landscaping and displaying seasonal “welcome” banners on light poles. The visual and aesthetic cue that the business district is open encourages residents to visit and patronize local businesses.

Next Steps

Township leaders are adapting rapidly to the economic challenges posed by COVID-19. Moving forward, coordination with neighboring and complementary government units and organizations—including economic development groups, chambers of commerce, and other business organizations—will be critical to supporting residents and businesses as new public health guidance emerges. Townships have an important role to play in providing credible, trusted communication, and quick responses to questions from businesses will help provide clarity during the economic recovery process.

EO 2020-129 CITATIONS

1. (1)"To the extent that the Open Meetings Act ("OMA"), 1976 PA 267, as amended, MCL 15.261 to 15.272, requires that a meeting of a public body be held in a physical place available to the general public or requires the physical presence of one or more members of a public body, strict compliance with section 3 of the OMA, MCL 15.263, is temporarily suspended in order to alleviate any such physical-place or physical-presence requirements, as follows: (a) A meeting of a public body may be held electronically, including by telephonic conferencing or video conferencing, in a manner in which both the general public and the members of the public body may participate by electronic means."
2. (1)(b) "A meeting of a public body held electronically must be conducted in a manner that permits two-way communication so that members of the public body can hear and be heard by other members of the public body and so that general public participants can hear members of the public body and can be heard by members of the public body and other participants during a public comment period. The public body may use technology to facilitate typed public comments that may be read to or shared with members of the public body and other participants to satisfy the requirement that members of the public can be heard by others during the meeting."
3. (1)(c) "Members of a public body and of the general public participating electronically will be considered present and in attendance at the meeting and may participate in the meeting as if physically present at the meeting."
4. (1)(d) "All persons must be permitted to participate in any meeting of a public body held electronically, except as otherwise provided in the OMA."
5. (1)(g) "A public body may not require a person as a condition of participating in a meeting of the public body held electronically to register or otherwise provide his or her name or other information or otherwise to fulfill a condition precedent to attendance, other than mechanisms necessary to permit the person to participate in a public comment period of the meeting."
6. (1)(h) "A person must be permitted to address a meeting of a public body held electronically under rules established and recorded by the public body. A person must not be excluded from a meeting held electronically otherwise open to the public except for a breach of the peace actually committed during the meeting."
7. (4) "If a statute or rule other than the OMA requires that public comments be permitted or a public hearing be held, including in conjunction with the issuance of a permit or a hearing required under the Uniform Budgeting and Accounting Act, 1968 PA 2, as amended, MCL 141.421 to 141.440a, a public body or department or agency may provide a means for remote public comment or participation through the use of any technology that would facilitate a member of the general public's ability to participate remotely to the same extent as if the member of the general public appeared in person. If not expressly authorized by statute or rule, written comment, including by electronic means, also is permitted."

ENDNOTES

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Youth Policy Lab Mission

The University of Michigan Youth Policy Lab helps community and government agencies make better decisions by measuring what really works. We're data experts who believe that government can and must do better for the people of Michigan. We're also parents and community members who dream of a brighter future for all of our children. At the Youth Policy Lab, we're working to make that dream a reality by strengthening programs that address some of our most pressing social challenges.

We recognize that the wellbeing of youth is intricately linked to the wellbeing of families and communities, so we engage in work that impacts all age ranges. Using rigorous evaluation design and data analysis, we're working closely with our partners to build a future where public investments are based on strong evidence, so all Michiganders have a pathway to prosperity.