



## community development partnership

*Creating opportunities for people to live, work, and thrive on the Lower Cape*

### **Karol Richardson: Asking for assistance in a time of need**

**“I’ve been touched to be able to receive financial assistance. I’ve always been very independent and not used to asking for help.”**

Karol McDonald  
Owner and Designer, Karol Richardson

While the COVID-19 pandemic has been challenging for most small businesses, seasonal businesses, have been particularly hard hit. Many were forced to severely limit their hours and reduce capacity to comply with health and safety guidelines. Some moved their businesses online while others chose not to open at all. Although the federal government provided direct aid in the form of the Paycheck Protection Program and Economic Injury Disaster Loan, many businesses did not qualify and for others the aid was simply not enough.



Karol's Wellfleet storefront

In July the Community Development Partnership was selected to administer \$400,000 in Community Development Block Grant (CDBG) funding awarded to the town of Truro by the Commonwealth of Massachusetts through the federal CARES Act. This money provides up to \$10,000 in forgivable loans to small businesses negatively impacted by the COVID-19 pandemic.

Karol McDonald owns Karol Richardson, a boutique women’s clothing store in Wellfleet and was among the first to receive a grant. Like most small retail shops, her business was profoundly affected by the COVID-pandemic.

Karol moved to the Cape over 20 years ago after spending her early career as a fashion designer in New York, San Francisco, and Los Angeles. She had grown up in the English countryside and wanted her young daughter to have same small-town experience that she loved from her childhood. Karol spent her first winter on the Cape designing and sewing clothes in her small studio, before opening her store that summer. Since that first year her business has continued to grow and she has received several awards from both local and national publications.

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Despite being a successful and seasoned business owner, Karol could not have predicted the challenges that 2020 brought. “It was the first time in 27 years where we saw a significant drop in revenue,” she says.

Like many businesses, Karol had to delay opening her store due to the COVID-19 pandemic. Normally she would open in April to catch shoulder season visitors, but this year they could not open until June. On top of a late opening they were challenged with reconciling the new health and safety guidelines with the way that she typically operates her businesses. “Our store is very interactive,” she says, “there could be a dozen people in chatting, socializing, and hugging.”

Safety requirements also affected the way in which they presented their products to shoppers in the store. Karol and her staff provided all customers with gloves upon entry, but this eliminated the tactile experience of clothes shopping. “It is really difficult for people to feel velvet while wearing rubber gloves,” she jokes.

Despite these challenges Karol was determined to make the best of the situation. “We spent a lot of time streamlining our website,” she says, “I’ve also been so grateful for some of our longtime customers who have been very supportive with phone sales.”

Although Karol had received a federal loan from the Paycheck Protection Program (PPP), the restrictions left her in need of more assistance. While the main purpose of the PPP was to allow businesses to keep employees on their payroll, CDBG funds could be put towards a much wider range of expenses. After seeing a CDP ad announcing the program in the local paper and hearing about it from the Wellfleet Chamber of Commerce, Karol decided to apply.

Karol’s application was approved to receive assistance through the program. “I was so touched to be able to receive financial assistance,” she says, “I’ve always been very independent and not used to asking for help.”

To date twenty businesses have received funds totaling \$200,000, with plans to distribute the rest of the funds in the coming months. Businesses owners interested in learning more can find eligibility requirements on the CDP’s [website](#).

Despite facing an extremely difficult 2020, Karol is looking forward to 2021 and hopes her business can recover when a vaccine is widely available. Small businesses like Karol’s are part of what make the Lower and Outer Cape a wonderful place to live, work and thrive.