



MEMORANDUM

Willie D. Frabky

TO: Timothy J. Baroody, City Manager
FROM: Bill Freehling, Director, Economic Development and Tourism
DATE: April 7, 2020
SUBJECT: EDA Emergency Business Relief Grant Program

ISSUE

Should the City Council appropriate \$50,000 from the Economic Development Opportunity Fund to the Fredericksburg Economic Development Authority (EDA) to help support the EDA's emergency business grant program?

RECOMMENDATION

Yes, Council should appropriate the funds.

BACKGROUND

Fredericksburg's EDA on March 23 created an emergency grant program to help City small businesses struggling in the wake of the COVID-19 viral outbreak and subsequent imposed restrictions. The EDA set aside \$50,000 for the grant program. The EDA will begin accepting applications on March 30 and take them through April 3. An EDA committee along with staff from the Department of Economic Development and Tourism on April 6 will begin reviewing applications, and grant funding is expected to be ready to be disbursed the week of April 13. The maximum grant per business is \$4,000. Grant funds can be used to pay business expenses needed to keep businesses afloat – such as rent, utility bills, insurance and more.

If City Council were to match the EDA's allocation, there would be a \$100,000 grant fund available to assist our small businesses – the lifeblood of our community. The City has \$54,000 in its Economic Development Opportunity Fund, and staff recommends that Council appropriate \$50,000 of that fund to this use. This seems a most appropriate use for these funds.

FISCAL IMPACT

While the City would be investing \$50,000 into this program, the potential return on investment associated with keeping businesses afloat is incalculable.

Attachments: Resolution
Application
Webpage



April 7, 2020
Regular Meeting
Resolution No 20 -__

MOTION:

SECOND:

RE: Appropriating \$50,000 from the Economic Development Opportunity Fund to the Fredericksburg Economic Development Authority (EDA) for a Business Relief Grant Program

ACTION: APPROVED: Ayes: 0; Nays: 0

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Therefore, the City Council hereby resolves to appropriate \$50,000 from the Economic Development Opportunity Fund to the Fredericksburg EDA for a business relief grant program.

FREDERICKSBURG OPPORTUNITY FUND

Source

Contingency	0226 499100	\$ 50,000
Department Total:		\$ 50,000
Total Source:		\$ 50,000

Use

Payment to Economic Develop Authority	0226 456640	\$ 50,000
Department Total:		\$ 50,000

Total Use: \$ 50,000

Votes:

Ayes:

Nays:

Absent from Vote:

Absent from Meeting:

Clerk's Certificate

I, the undersigned, certify that I am Clerk of Council of the City of Fredericksburg, Virginia, and that the foregoing is a true copy of Resolution No. 20- duly adopted at a meeting of the City Council meeting held March 20, 2020 at which a quorum was present and voted.

Tonya B. Lacey, CMC
Clerk of Council



Form Center

Economic Development Authority Grant Application

Grant Requirements

In order to apply, the business must be located in the City of Fredericksburg (22401), meet the SBA definition (see below) of a small business, and have a demonstrable need as a result of the Coronavirus. Applicants are also required to be in compliance with the State Corporation Commission and City of Fredericksburg taxes, permits, fees and regulations prior to March 15, 2020. The Taskforce will verify these requirements.

SBA Definition

[SBA Definition](#)

Business Name*

Business Street Address*

Zip Code*

Contact Name*

E-Mail Address*

Contact Phone Number*

Type of Business*

Have you received local funding assistance from another resource? *

If yes, resource name and amount?

How long have you been in business?*

Is your business a franchise?*

If so, is primary business located in the City of Fredericksburg (22401).

In the City of Fredericksburg (22401)

What is your current operating status? Choose One*

- Still operating as normal Closed voluntarily
- Operating but at reduced capacity Forced to close by state order

Date of closure.

If reduced capacity, provide date.

Delivery/Take-Out only, provide date.

On-line sales only, provide date.

What is your current total employee count full-time? *

What is your current total employee count part-time? *

How many people have you hired since the COVID-19 outbreak?*

How many people have you had to lay off? *

What percentage of your workforce is currently working remotely?*

If employees are temporarily not reporting for work, what percentage will be paid during the work hiatus? *

For how many weeks will those not working be paid? *

On a scale of 1-7 how would you evaluate workforce morale today? *

Lowest 1 2 3 4 5 6 7 Highest

In addition to general health, what is your greatest concern for employees during this time of emergency? *

Please estimate your company's weekly revenue change experienced as a result of COVID-19. *

Choose increase or decrease with percentage. See list below.

Choose one for above question

Increase: 0-10%; 10-20%; 21-30%; 31-40%; 41-50%; 51-60%; 61-70%; 71-80%; 81-90%; 91-100%; 100%+

Choose one for above question

Decrease: 0-10%; 10-20%; 21-30%; 31-40%; 41-50%; 51-60%; 61-70%; 71-80%; 81-90%; 91-100%; 100%+

Cash on hand:*

- \$0 - \$5,000
- \$5,001 - \$10,000
- \$10,001 - \$20,000
- \$20,000+

Gross annual revenue for 2019*

- \$0 - \$25,000
- \$25,001 - \$50,000
- \$50,001 - \$100,000
- \$100,001 - \$250,000
- \$250,001 - \$500,000
- \$500,001 - \$1 Million
- \$1 Million+

Taskforce will verify with the Commissioner of the Revenue.

How many weeks of a business slowdown or shutdown would you estimate your business could survive before closing?*

Do you have standing lines of credit to help bridge this business interruption?*

Have you contacted your bank about a bridge loan or other financing?*

Who is your Landlord? Have you contacted him/her regarding a reduced or delayed lease payment?*

If Mortgage answer same.

Do you anticipate any permanent reductions in your workforce?*

Next 3 months? If yes, list reduction number. Next 6 months? If yes, list reduction number. You may also answer No or Unsure.

Amount of grant funding requested?*

Maximum amount \$4,000

How will grant funding be used?*

Please list need and amount. Separate with comma.

Electronic Signature Agreement

By checking the "I agree" box below, you agree and acknowledge that 1) your application will not be signed in the sense of a traditional paper document, 2) by signing in this alternate manner, you authorize your electronic signature to be valid and binding upon you to the same force and effect as a handwritten signature, and 3) you may still be required to provide a traditional signature at a later date.

I agree.

Electronic Signature*

Date*

If you have any questions, please e-mail Amy Peregoy at aperegoy@fredericksburgva.gov or call 540-372-1216.

Receive an email copy of this form.

Email address

This field is not part of the form submission.

* indicates a required field

Grant Program

Emergency Grant Program - COVID-19 Relief



The City of Fredericksburg Economic Development Authority (EDA) is offering emergency grants of up to \$4,000 to help Fredericksburg (22401) businesses impacted by coronavirus pay essential business expenses. In order to apply, the business must be located in the City of Fredericksburg (22401), meet the SBA definition of a small business, and have a demonstrable need as a result of the Coronavirus. The needs are required to be listed with an amount within the application.

The EDA Emergency Grant Taskforce was created on March 23, 2020, during a special EDA meeting. The Taskforce will virtually meet to review grant applications. The Taskforce will prioritize brick and mortar businesses.

If awarded a grant, the funds will be paid directly to the creditor/s. Proper documentation (utility invoice, rental agreement, tax invoice, insurance invoice, etc.) will need to be presented to the program administrator, Amy Peregoy.

Applicants are required to be in compliance with the State Corporation Commission and City of Fredericksburg on taxes, permits, fees and regulations as of March 15, 2020. The Taskforce will verify these requirements.

If approved, applicants may be required to submit additional information for verification.

All information submitted by application or in addition with approval is subject to the Freedom of Information Act (FOIA).

Grant Application to be published on Monday, March 30th at 8:00 a.m.

Businesses will have until Friday, April 3rd at 5 p.m. to apply.

Contact:

Applicants are encouraged to contact the Department of Economic Development and Tourism with questions by e-mailing Bill Freehling, EDT Director, or Amy Peregoy, Economic Development Specialist/EDA Assistant Secretary.