



News Release

For Immediate Release

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City of Fredericksburg, EDA to explore business assistance programs

(Fredericksburg, VA) May 18, 2020 - The City of Fredericksburg and its Economic Development Authority will work with the local business community to establish additional business-assistance programs in the wake of the COVID-19 outbreak.

The EDA will hold a special meeting at 8:30 a.m. Wednesday to discuss a business-relief program funded by the EDA and City of Fredericksburg. The EDA and City of Fredericksburg have already teamed up on a business-relief program that led to \$250,000 in grants being made to 107 Fredericksburg small businesses. The EDA and City now want to work with the business community to discuss and implement additional ways to help.

Ideas that have been discussed have included additional grants, a subsidized gift card program, and the purchase of items that allow businesses to safely reopen to the public.

“Everything is on the table,” said City Manager Tim Baroody. “We want to tap into the best minds of our community to come up with a program that will help our businesses and enhance economic activity while keeping our residents safe – which remains our no. 1 priority.”

The EDA on Wednesday will work to establish an exploratory committee composed of two EDA members, City staff (with guidance from the Mayor and City Council), and designated members of the business community. That committee will meet to quickly implement one or more programs.

The EDA’s share of the funding would come from the Authority’s currently available funds, which have mostly come from fees paid by private developers who have issued bonds through the Authority. The City’s share would come from the approximately \$2.5 million allocated to the City from the CARES Act based on its population. That money must be spent by December 30 and can be used only for COVID-related expenses.

One of the allowable expenditures under the law is “expenses associated with the provision of economic support in connection with the COVID-19 public health emergency, such as ... expenditures related to the provision of grants to small businesses to reimburse the costs of business interruption caused by required closures.”

The City will also seek to recoup expenses related to enhanced teleworking, cleaning supplies and equipment related to COVID-19, and other expenses. The exact amount to be put toward the business-assistance effort will be discussed by the exploratory committee, but it is likely to be higher than the funds allocated through the grant program.



“We look forward to working with Council, the EDA and the business community to create one or more programs that will assist our small businesses – which are truly the lifeblood of our great City,” Barody said.

For more information, please call Fredericksburg Economic Development and Tourism at 540-372-1216 or visit www.FredericksburgVa.com.

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