

FREDERICKSBURG  
**ECONOMIC**  
**DEVELOPMENT**  
AUTHORITY

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**ECONOMIC DEVELOPMENT AUTHORITY MINUTES (EDA)**

**March 23, 2020**

**8:30 a.m. • EDA Special E-Meeting**

**City Hall, City Council Chambers**

**715 Princess Anne St.**

**Fredericksburg, VA**

The Economic Development Authority of the City of Fredericksburg, Virginia met in special session on Monday, March 23, 2020 beginning at 8:30 a.m. in City Council Chambers at City Hall.

***EDA MEMBERS PRESENT.*** Beth Black Chair, presiding. Will Mackintosh, Lee Murray, Suzy Stone, Mitzi Brown, Bill Beck and Chris Waller.

***ABSENT.*** None.

***ALSO PRESENT.*** **EDA Counsel:** Blanton Massey; **Department of Economic Development and Tourism:** Bill Freehling, Director; Angela Freeman, Business Development Manager; Amy Perego, Economic Development Specialist.

***DETERMINATION OF QUORUM.*** Mitzi Brown.

***APPROVAL OF MEETING BY ELECTRONIC COMMUNICATION MEANS.*** The Economic Development Authority of the City of Fredericksburg, Virginia (the "EDA") has convened this special meeting conducted by electronic communication means under the authority of Virginia Code §2.2-3708.2. The purpose of this Resolution is to state the basis for conducting the meeting under this authority, and to record the EDA's approval of same.

**MOTION by Will Macintosh, seconded by Suzy Stone, Resolution 20-01 was approved by roll-call vote: Ayes (7); Nays (0).**

***AGENDA.***

**MOTION by Will Macintosh, seconded by Chris Waller, the agenda was approved by roll-call vote: Ayes (7); Nays (0).**

***NEW BUSINESS.***

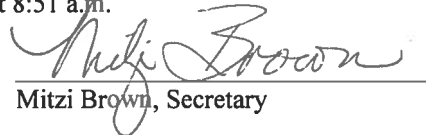
***Establish temporary grant program to assist small businesses.*** Chair Black stated the EDA sees the need to create a program for small financial grants to City of Fredericksburg (22401) small businesses to assist proprietors for the purpose of making a monthly payment to prevent a threat of or an actual impending eviction, foreclosure, City taxes, insurance or termination of utilities; and such other expenses within the programs criteria. As Chair, a taskforce consisting of Mitzi Brown and Will Mackintosh with assistance from Bill Freehling and Amy Perego should be established.

Mr. Freehling noted the City of Fredericksburg has an economic development opportunity fund in the 2020 budget. The City has expressed preliminary interest in appropriating \$50,000 of that fund to the EDA to be used as a match to establish this program. This would need to be formally appropriated by City Council which could occur as soon as the April 14 meeting however City Council has expressed preliminary support for the concept. If the match is approved by City Council and the EDA \$100,000 would be funded for the program to help our businesses weather the storm of the COVID-19 outbreak.

Mr. Mackintosh gave a brief overview of the EDA's program with a comparison to other city programs with a larger scale which are providing grants and loans. Ms. Brown noted the current loan program could be shifted to create bridge loans to be discussed at another time but for now a grant program is needed for our small businesses. The board briefly discussed loans, the taskforce, grant criteria, budget, amounts of individual grants and the overall total amount for the program.

**MOTION by Lee Murray, seconded by Mitzi Brown, Resolution 20-02 was approved by roll-call vote: Ayes (7); Nays (0).**

**ADJOURNMENT.** There being no further business to come before the Economic Development Authority at this time, Chair Black declared the meeting officially adjourned at 8:51 a.m.

  
Mitzi Brown, Secretary

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**MOTION:** Mackintosh

**March 23, 2020**  
**Special Meeting**  
**Resolution 20-01**

**SECOND:** Stone

**RE:** Approving meeting by electronic communication means under Virginia Code §2.2-3708.2

**ACTION:** APPROVED: Ayes: 7; Nays: 0

The Economic Development Authority of the City of Fredericksburg, Virginia (the “EDA”) has convened this special meeting conducted by electronic communication means under the authority of Virginia Code §2.2-3708.2. The purpose of this resolution is to state the basis for conducting the meeting under this authority, and to record the EDA’s approval of same.

On March 12, 2020, Virginia Governor Ralph Northam declared a state of emergency in our State in response to the continued spread of novel coronavirus, or COVID-19. COVID-19 spreads from person-to-person, transmitted via respiratory droplets, and can be spread from an infected person who does not have symptoms to another person. No vaccine or known treatment options exist at this time. It is unclear when it will be safe to resume in-person EDA meetings, but it is reasonable to conclude that there may be a weeks-long period when it is unsafe to do so.

The nature of the declared emergency makes it impracticable or unsafe to expect a quorum or to allow the public to be present in a single location where more than 10 people will be present. The purpose of this special meeting is to address what role the EDA may be able to play in assisting businesses facing economic hardships brought on by the present health crisis. The EDA gave public notice of this special meeting by electronic communication means using the best available method given the nature of the emergency, which notice was given contemporaneously with the notice provided to the members of the EDA.

Public access to this special meeting is provided via live stream through the City’s Governmental television channel, and Facebook Live. The type of electronic communication means by which this meeting is conducted is personal phone call in on conference call where all present and calling in will participate in the EDA meeting agenda items and the discussion of them (or telephone conference call).

Therefore, the EDA hereby resolves that:

- Conducting this special meeting through electronic communication means is approved.
- Votes shall be conducted by name in roll-call fashion and included in the minutes.

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**Roll Call Votes:**

**Ayes: 7**

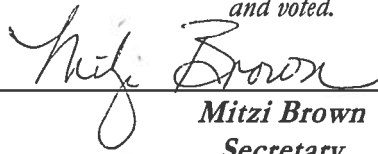
**Nays: 0**

**Absent from Vote: 0**

**Absent from Meeting: 0**

***Secretary's Certificate***

*I certify that I am the Secretary of the EDA of the City of Fredericksburg, VA, and that the foregoing is a true copy of Resolution No. 20-01, adopted at a meeting of the EDA held March 23, 2020, at which a quorum was present and voted.*

  
\_\_\_\_\_  
**Mitzi Brown**  
**Secretary**

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**MOTION:** Murray

**March 23, 2020**  
**Special Meeting**  
**Resolution 20-02**

**SECOND:** Brown

**RE:** Creating a Temporary, Emergency Small Grant Program for Small Business

**ACTION:** **APPROVED: Ayes: 7; Nays: 0**

Whereas, on March 12, 2020, Virginia Governor Ralph Northam declared a state of emergency in the Commonwealth of Virginia in response to the continued spread of novel coronavirus, or COVID-19. COVID-19 is highly contagious. It spreads from person-to-person, is transmitted via respiratory droplets, and can be spread from an infected person who does not have symptoms to another person. No vaccine or known treatment options exist at this time; and

Whereas, on March 17, 2020, the Governor and the State Health Commissioner declared a public health emergency and mandated social distancing, restricting restaurants, fitness centers and theatres to 10 patrons at any one time or else close; and

Whereas, it is unclear when it will be safe to resume normal commerce, but it is reasonable to conclude that there may be a months-long period when it is unsafe to do so, as a result many small businesses, in addition to those specifically addressed by the Governor's declarations, have seen a significant reduction in business, have had to discharge employees without adequate notice. The self-employed have also suffered from the effects of social distancing, all of whom have and will likely continue to suffer from economic hardships brought on by the present health crisis; and

Whereas, Virginia Code §15.2-4905.13 states that economic development authorities ("EDAs") shall have the power to make grants and loans and may forgive loans in furtherance of its powers and Virginia Code §15.2-4901 states that such power shall be exercised for the benefit of the inhabitants of the Commonwealth through the promotion of their safety, health, welfare, convenience or prosperity;

NOW, THEREFORE, on Motion duly made and seconded the EDA of the City of Fredericksburg, Virginia, resolves as follows:

The EDA does hereby create a program for small financial grants to City of Fredericksburg (22401) small businesses to assist proprietors for the purpose of making a monthly payment to prevent a threat of or an actual impending eviction, foreclosure, City taxes, insurance or termination of utilities; and such other expenses within the programs criteria and

Mitzi Brown and Will Mackintosh be and they hereby are authorized and directed jointly to develop the criteria for making such grants and the procedure for applicants to follow in applying for such grants; and they are hereby empowered to make such grants as they deem justified and appropriate of up to \$4,000 per applicant from a total allocation by the EDA to the program of \$50,000, and to report their activity at each meeting of the EDA.

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March 23, 2020

This grant program shall terminate upon statement to that effect signed by Mitzi Brown and Will Mackintosh or duly adopted motion of the EDA, whichever first occurs.

**Roll Call Votes:**

**Ayes: 7**

**Nays: 0**

**Absent from Vote: 0**

**Absent from Meeting: 0**

***Secretary's Certificate***

*I certify that I am the Secretary of the EDA of the City of Fredericksburg, VA, and that the foregoing is a true copy of Resolution No. 20-02, adopted at a meeting of the EDA held March 23, 2020, at which a quorum was present and voted.*

  
\_\_\_\_\_  
**Mitzi Brown**  
**Secretary**

## 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.

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 is subject to the Freedom of Information Act (FOIA).

### 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.

Fredericksburg EDA  
Emergency Grant Scoring Sheet

Name of Applicant: \_\_\_\_\_

Please rate each application according to these five metrics.

| <b>Business Track Record</b>   |   |   |   |   |   |   |   |   |   |    |
|--|---|---|---|---|---|---|---|---|---|----|
| This score should take into account the length of time the business has been open, the business's prominence on the city landscape, and its importance to city's culture (i.e. is it a Fredericksburg "institution") |   |   |   |   |   |   |   |   |   |    |
| 0  | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 |

| <b>Fiscal Impact of Business</b>   |   |   |   |   |   |   |   |   |   |    |
|--|---|---|---|---|---|---|---|---|---|----|
| This score should take into account the amount of tax revenue the business generates in normal times, and the number of jobs that would potentially be preserved by saving the business. |   |   |   |   |   |   |   |   |   |    |
| 0  | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 |

| <b>Degree of COVID-19 Impact</b>  |   |   |   |   |   |   |   |   |   |    |
|---|---|---|---|---|---|---|---|---|---|----|
| This score should take into account how badly COVID-19 has impacted this business, with '0' being not at all and '10' being a complete closure of operations. |   |   |   |   |   |   |   |   |   |    |
| 0   | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 |

| <b>Urgency of Need</b>   |   |   |   |   |   |   |   |   |   |    |
|--|---|---|---|---|---|---|---|---|---|----|
| This score should take into account how badly the business needs a cash infusion at this moment. Will they go out of business if they don't get it, or can they hang on for another month? |   |   |   |   |   |   |   |   |   |    |
| 0  | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 |

| <b>Efficacy of EDA Money</b>   |   |   |   |   |   |   |   |   |   |    |
|--|---|---|---|---|---|---|---|---|---|----|
| This score should take into account how likely an EDA grant is to be decisive in saving the business. A '0' means our grant will probably not determine whether or not the business survives, while a '10' means that our grant means the difference between survival and destruction. |   |   |   |   |   |   |   |   |   |    |
| 0  | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 |

Total Score: \_\_\_\_\_

Name of Reviewer: \_\_\_\_\_





## 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

Please provide date of operating status next.

**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? \***

If Mortgage answer same.

**Have you contacted him/her regarding a reduced or delayed lease/mortgage payment?\***

**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? Amount is REQUIRED to be listed by specific need. For example: Utilities \$500, Rent \$2,000, etc.\***

AMOUNTS ARE REQUIRED TO BE LISTED BY NEED TO BE CONSIDERED BY TASKFORCE.

**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\***

First M. Last

**Date\***

mm/dd/yyyy

hh:mm am/pm

**If you have any questions, please e-mail Amy Peregoy at [aperegoy@fredericksburgva.gov](mailto:aperegoy@fredericksburgva.gov) or call 540-372-1216.**

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\* indicates a required field