



Economic Recovery Programs: Federal PPP Loan, Fairfax County Microloan & Fairfax RISE Grant Program

July 21, 2020

Economic Advisory Committee

Scott Sizer, Department of Economic Initiatives

Federal Paycheck Protection Program (PPP)

- **Paycheck Protection Program (PPP) Loan program is administered by the U.S. Small Business Administration**
- **Program Purpose:**
 - Loan designed to provide direct incentive for small businesses to continue to meet payroll
 - 1% interest rate
 - 6 month deferral on loan payments
 - Loans will be forgiven if all employee retention criteria are met
 - $\geq 60\%$ for payroll, remainder for other eligible expenses
 - Loans made through existing lenders, not directly from SBA

Federal PPP National Data

Paycheck Protection Program (PPP) Loan program national summary

Approved Loans	Approved Dollars	Average Loan Size	# of Participating Lenders
4,930,550	\$517,891,089,714	\$105,037	5,456

- **Program Status:**

- Reopened for applications on July 6th
- Applications for program must be received by August 8th

Federal PPP Local Data

Preliminary analysis of Fairfax County business participation:

- Numbers below include City of Fairfax and City of Falls Church
- All numbers approximate at this time

Approved Loans	Approved Dollars	Average Loan Size	# of Participating Lenders: >= 10 Loans
21,100	\$2,450,000,000 – \$5,000,000,000	\$112,000 – \$225,000	@ 80 lenders

- Approximately 4,000 loans made were for \$150,000+
 - 49 loans were for between \$5M - \$10M
 - Average loan between \$450,000 - \$1,100,000
- Approximately 17,100 loans made were for less than \$150,000
 - Average loan \$35,800

Fairfax County Microloan Program

- **Board of Supervisors established April 14, 2020**
 - Total \$2.5 million for loans up to \$20,000
 - 0% interest rate, 6 year repayment period
 - Less than 50 employees, businesses with a commercial location
 - Establishes a revolving loan fund
- **Program Purpose:**
 - Help small businesses remain in operation through the COVID-19 emergency
 - Provide counseling to access other federal, state or local programs

Fairfax County Microloan Program

- **Applications**

- 1,713 applications received
- Total employment among all respondents fell by 36% from pre-COVID-19 levels

- **Current Status**

- About 50% of funds have been disbursed
- Average loan amount is approximately \$19,000
- Some businesses declining to move forward because they don't need it anymore (received PPP, EIDL or other funds)

Fairfax RISE Grant Program



- **Board of Supervisors established May 12, 2020**
 - Funding augmented on July 6 by Town of Vienna and July 14 by BOS
- **Program Purpose:**
 - Provide relief to small businesses / non-profits impacted by COVID-19
 - Minimum of 30% funding for minority-owned, women-owned, and veteran-owned businesses
 - Program funded with up to \$46,000,000 for grants, which do not need to be repaid by grantees.
 - Grant sized at \$10,000, \$15,000, or \$20,000 based upon # of employees

Fairfax RISE Grant Partners

- **Community Business Partnership – Grant Administrator**



- With support from:

- George Mason University

- Community Foundation for Northern Virginia



- **Fairfax County Economic Development Authority**



- **Town of Vienna, VA**



Fairfax RISE Grant Outreach & Applicants

- **Significant outreach efforts**

- Postcards
- Email and Website
- Community Networks
- Newsletters




- **Qualification Survey was open from June 8th – June 15th**

- Median response time to complete survey under 10 minutes
 - 76% of applicants completed in less than 20 minutes
- 6,280 applications received
 - 83% from businesses with between 1 - 10 employees
 - 69% from women-owned, minority-owned, and/or veteran-owned businesses

Fairfax RISE Grant Eligibility

Located within Fairfax County; includes Town of Vienna, Town of Herndon, and Town of Clifton



Existing small business or non-profit

Between 1 – 49 employees;

In operation one year or more;

Operating on March 1, 2020.



Been negatively impacted by business interruptions since March 1, 2020 due to COVID-19.

Fairfax RISE Documentation Review

Phase II Documentation Review Underway

- 39% of all applicants currently under review
- 10% of all applicants have been disqualified
- Numbers below reflect progress toward initial \$25M allocation

Not Submitted	Submitted (Review Pending)	Initial Review Complete	Phase II Invite Pending	Disqualified
449 (21% of Phase II)	334 (15%)	1,400 (64%)	3,478	612

New \$21M allocation expected to allow Phase II invitations to be extended to additional 1,800 applicants

Anticipate majority of awards to be disbursed in July and August

Fairfax RISE Grant Timeline

Date	Event
June 18 th	Random Selection (Lottery) for Order of Processing
	Initial Qualification Screening – Location, Size, Longevity
June 22 nd	Preliminary Identification of Non-Qualified Applicants
June 25 th	Notification to Applicants – Initial Tranche
June 25 th -> August	Process Begins for Applicants, Order Based upon Random Selection
July / August	Anticipate Majority of Grant Awards Allocated
September	Remaining Funds Awarded as Non-Certified Applicants are Removed
September / October	Program Close Out



Fairfax RISE

Small Business and Nonprofit Grant Program

Q & A