

Fairfax Founders Fund - Grant and Technical Assistance Program “Grant Program Guidelines”

Grant Awards

The Fairfax Founders Fund, a Grant and Technical Assistance Program (the Fund) will provide early, pre-Series A capital, via grants, to start-up companies that are on the trajectory to apply for and access Series A institutional investment or a U.S. Small Business Administration Small Business Innovation Research (SBIR) or Small Business Technology Transfer (STTR) award.

The goals of the Fund are to:

- To bolster economic development in Fairfax County by growing innovation-based businesses and jobs and preparing young companies for local angel investment, commercialization grants and later stage investment;
- To promote the resources and advantages of Fairfax County by establishing a program that will connect startup businesses with area partnerships and developing competitive technology clusters in the County; and
- To foster economic mobility by providing a new source of early-stage capital to small Fairfax County businesses with high growth potential and ensuring that these funds are broadly accessible to entrepreneurs of all backgrounds.

There will be targeted marketing to underrepresented and diverse founders, such as women, people of color, veterans, and other underrepresented groups. To be eligible, an applicant must be an early-stage, high-growth, product company in the technology and innovation sectors.

Use of Funds

Grant funds may be used to support companies’ commercialization and market entry efforts. Applicants must designate a specific project and type of technical assistance for which any grant funds will be used. Each project will have a unique set of milestones leading to project completion. Project examples could include but are not limited to the following:

- Product & prototype development
- Customer acquisition
- Market intelligence and business model validation
- Pilot project or proof of concept
- Intellectual property strategy development

Each applicant will be required to illustrate a minimum of 50% match of the requested Fund dollars. Any such match may include funds that may have already been provided to the company in the last six months and may also include “in-kind” contributions, such as founder / owner sweat equity.

Applicant Eligibility

Minimum eligibility for grant awards includes that the applicant:

1. Must be a legally existing entity registered to do business in Virginia and have one or more location(s), including the principal place of business (based on employment, revenue, or other factors) in Fairfax County. Fairfax County includes the Towns of Herndon, Vienna, and Clifton, and the Cities of Falls Church, and Fairfax.
2. Have a valid Business, Professional and Occupational Licenses (BPOL) issued by Fairfax County or one of the aforementioned municipalities.
3. Applicant must be in good standing with Fairfax County and the Commonwealth (i.e.: indebtedness or breach of material obligation).
4. Must be or intend to become an innovative and disruptive product-focused technology enterprise.
5. Must be able to articulate the potential commercial value of the product.
6. Pre-series A entity.
7. No more than \$250,000 gross revenue in last 12 months

Application Process and Review

There will be a multi-step application process to the Program. Initially, applicants will be required to electronically submit details about their company and proposed project. Secondly, after a review for completeness and program eligibility, applicants will be invited to an interview with DEI staff. The interview may also include EDA staff and venture capital professionals and technology subject matter experts able to evaluate an innovative technology and the potential of commercial success via a business built around that technology.

Terms and Conditions

Prior to the disbursement of any funds to a grantee, an agreement will be executed by the EDA and the applicant, with the County as a third-party beneficiary. The agreement will include a reporting schedule, a revised proposal with milestones, and a budget. Neither the EDA nor the County will take ownership of intellectual property that may result from the performance of the Program award and successful applicants will retain the title to equipment purchased with Fund dollars. If an applicant removes its principal place of business from Fairfax County before 24 months following the Program award date, a pro-rata portion of grant funds must be repaid.

Program Outcomes

In an effort to measure the effectiveness of the Fund, the following statistics will be tracked over a period of time determined in the performance agreement:

- Applicant sales and/or revenue figures
- Applicant full and part-time employees
- Applicant follow-on funding: private investment/ commercialization grants/ contracts
- Number of market offerings – existing products and/or those under development
- Intellectual Property created by awardee
- Facilities enhanced and/or expanded via investment

Staff will also track:

- Number of businesses engaged and supported with underrepresented founders by the program
- Company/entrepreneur referrals to technical assistance services by the program