
CALENDAR YEAR 2022 EQUITY IMPACT PLAN

ANNUAL REPORT

BACKGROUND INFORMATION

Department Name: Department of Economic Initiatives

Equity Lead: Theresa Benincasa

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EQUITY IMPACT PLAN REPORT

Goal 1: Develop and implement the Fairfax THRIVE program and initiatives that include serving impacted and underrepresented small businesses and entrepreneurs.

Goal 1 Progress:

In August 2022, the Fairfax County Board of Supervisors authorized \$7 million in ARPA Recovery Funds to establish the [THRIVE Small Business Technical Assistance Grant Program](#) (the THRIVE Program). The THRIVE program will provide up to \$10,000 in technical assistance grants to eligible small businesses negatively impacted by the pandemic, enabling them to access business counseling and technical assistance service(s) to help them remain in business, retain employees and address their individual business goals. Small businesses are those with fewer than 50 employees. THRIVE is the fourth DEI-led program in a continuum of pandemic response and economic recovery programs that address the needs of small businesses negatively impacted by the pandemic. Previous DEI programs include the PIVOT Program in 2021, the Relief Initiative to Support Employers (RISE) and the Microloan Program in 2020, which collectively have provided \$70,436,300 in direct assistance to 5,935 small businesses and eligible non-profits.

DEI has been working with the THRIVE Program Administrator, the Latino Economic Development Corporation (LEDC), the Department of Procurement and Material Management, the Department of Finance and the Office of the County Attorney to stand up the suite of qualified business coaches and consulting services that form the backbone of the technical assistance program. THRIVE will be implemented in two phases over a two-year period. Phase I (2022-2023) is focused on recruiting business coaches and business consultants to serve as technical assistance providers. Phase 2 (2023-2024) is focused on opening the grant application portal and connecting approximately 600 eligible small businesses with a business health assessment and technical services to improve their business outcomes.

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2022 Goal 1 Highlights:

Secured LEDC as THRIVE Program Administrator, with staff bi-lingual in Spanish, and will coordinate language access for THRIVE applicants in other languages as needed

Developing multiple Requests for Proposals (RFPs) to seek services of THRIVE Businesses coaches & consultants

Identified 15 + areas of technical assistance areas in operations, finance, marketing and communication that are aligned with urgent business needs and pandemic economic recovery

Developing a specialized marketing and outreach services RFP to identify multicultural business support and community-based organizations to expand awareness about THRIVE among diverse business owners

THRIVE has a special focus on reaching minority-owned businesses in the county. Using targeted outreach, THRIVE aims to reach diverse small business owners including by race, ethnicity, gender, disability, and/or veteran status, and ensure that they are aware of the program and can apply. Through the proposed outreach program and technical assistance services, the THRIVE program will address structural challenges that have made it difficult for minority-owned businesses to operate and expand their businesses and recover from the pandemic.

Goal 2: Improve access to capital and technical expertise for diverse founders, with a focus on economic growth in technology product industries in Fairfax County.

Goal 2 Progress:

In June 2022, the Fairfax County Board of Supervisors authorized the appropriation of \$1 million from the Economic Opportunity Reserve Fund (EOR) to create the [Fairfax Founders Fund](#) (Fund), a grant and technical assistance program for promising startup firms in emerging technology industries.

The Fund has been established to respond to a lack of capital for innovative early-stage businesses and to foster job growth and economic development within the county. Female and minority businesses have historically had less access to capital and diverse founders have traditionally been underrepresented in equity funding. DEI is developing a targeted outreach and engagement effort to recruit underrepresented and diverse founders, such as women, black and brown founders, veterans, and other groups underrepresented in the technology-based business community.

DEI in partnership with the Fairfax County Economic Development Authority (FCEDA) has sought input from the Virginia Innovation Partnership Corporation (VIPIC); Virginia Innovation Commercialization Assistance Program (ICAP); Smart City Works; Black Girl Ventures, 1863 Ventures; Citrine Angels; Osage Ventures and others to develop the fund. Representatives from several of these entities will serve as Fund Advisors.

Grants will be made in amounts up to \$50,000. Applicant companies will be required to provide a 50 percent match in the form of “in-kind” contributions of hours worked or “sweat equity.” Recipients can

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use funds to support commercialization and market entry goals, prototype development, market research, technology validation, engineering services, or legal costs relating to intellectual property.

The Fund is the first of its kind offered by the county – and given its unique focus – has required a new model for fund administration that complies with county regulations on the use of funds. In 2022, DEI and EDA worked with the Office of the County Attorney and the Department of Finance to put this structure in place, giving solid ground to launching the fund in 2023 to recruit new founders.

2022 Goal 2 Highlights

Formed a 20-member Fund Advisory Committee

Put in place an administrative structure for Fund including MOU, grant agreements and advisor agreements

Selected Virginia Innovation Partnership Corporation as the Fund Administrator

Designed a marketing campaign and compelling promotional video to advertise the Fund

Goal 3: Develop a business development and entrepreneurial center at Original Mount Vernon High School (OMVHS) that includes serving underrepresented entrepreneurs and workforce.

Goal 3 Progress:

In 2022, DEI took steps to execute the county’s vision for a business development and entrepreneurship center at OMVHS by seeking the establishment of a food business accelerator. Food-based businesses can provide an on-ramp to entrepreneurship and vocation for diverse business owners and workers, and also foster commercial revitalization. Earlier research by DEI and the Richmond Highway Market Assessment Study showed that a food business accelerator could leverage existing assets and fill a gap in south county, through clustering food-based businesses and entrepreneurs and providing economic opportunity for the local community members, many of whom are employed in food industries.

In 2022, DEI developed and issued a Request for Information (RFI) that sought expressions of interest from potential tenants/operators with the expertise and competency needed to scale and expand food-based businesses focused on wholesale, retail, and direct-to-consumer channels. Potential tenants were encouraged to describe how the use of the space may foster One Fairfax racial and social policy implementation opportunities.

A potential tenant has been identified and is in the process of commercial lease negotiations for approximately 11,000 SF at OMVHS. This includes engagement with the county about infrastructure requirements, access needs, and operational variables inherent in the establishment of a food-based accelerator and entrepreneurship center.

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Goal 4: Improve baseline knowledge of and communication with diverse businesses and entrepreneurs.

Goal 4 Progress:

Through all its programs DEI seeks to build knowledge, outreach and communication with diverse small businesses and entrepreneurs. This takes the form of continuous improvements in data collection strategies, ongoing research using countywide data and public and private sources and building outreach and communications capabilities.

2022 Goal 4 Highlights

Analyzed and shared results of a survey of small businesses (issued in December 2021) to identify their top business priorities and standardized demographic data collection across all surveys

[BizEx](#) began requesting demographic data to establish a baseline understanding of customers requesting assistance. In 2022, 400+ customers completed an online inquiry. Of those that elected to respond to demographic questions, 60% were women, 22% Asian, 15% African-American, 10% two or more races; 3% other minorities, 16% Hispanic; 14% were veterans and 8% as having a disability.

Prepared two Equity Impact Statements (EIPs) for THRIVE and Founders Fund Board of Supervisor Action Items that utilized research on economic disparities among small businesses

Continued to expand the network of multicultural, community-based and business support organizations for marketing and outreach, direct mail list and email listservs

Laid the groundwork for two in-depth marketing and outreach programs targeted to diverse and minority business owners and entrepreneurs for both THRIVE and Fairfax Founders Fund in 2023

Goal 5: Provide resources for entrepreneurs, home-based businesses, and small businesses, including minority-owned businesses to establish and grow their market.

Goal 5 Progress:

DEI's Small and Local Business Development Division continues to innovate and expand services and resources for minority-owned businesses, entrepreneurs and home-based businesses to grow their market. In 2022, DEI in partnership with the Department of Procurement and Material Management established the [Vendor Pitch Portal \(VPP\)](#), a significant step in facilitating connections between County procurement opportunities and local and small businesses that may have never applied or been considered as potential vendors before. In addition, DEI partnered with the Fairfax County Public Library (FCPL), the Town of Vienna, and the Vienna Business Association to host Ignite, a five-part education series focused on marketing skills for small business owners. Finally, DEI worked with county partners to develop small business education events or resources.

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2022 Goal 5 Highlights

22 businesses have applied to the Vendor Pitch Portal to date, to pitch their businesses to County agencies, 91% small, 50% local and 45% woman- and/or minority-owned

80 small businesses, 61% woman- and 35% minority-owned participated in Ignite Series, 76% were first-time business owners

Updated two Business Guides: County's Restaurant Guide and the Food Truck Guide, which help small businesses navigate and comply with county regulations to establish new and ongoing food businesses

Launched the [Entrepreneurial Education Events Calendar](#) which lists an estimated 10+ educational and networking opportunities monthly for business owners and entrepreneurs looking to build their businesses

Developed the Connect with BizEX services flyer, translated into Spanish, Korean, Arabic and Vietnamese

Goal 6: Promote a just and resilient economy through the implementation of the Economic Recovery Framework and Countywide Strategic Plan.

The 2021 [Economic Recovery Framework](#) (the Framework) evaluated the economic impacts of the COVID-19 pandemic and recommended actions and investments to address the urgent needs of impacted businesses and workers. The Framework highlighted how the pandemic exacerbated existing socio-economic disparities among county residents by race, ethnicity, income and geographic location and championed a holistic approach to economic development that is essential for economic recovery and stabilization for all.

In response to this need, the Department of Economic Initiatives led bi-monthly Economic Recovery Forums to bring together a cross-agency team to lead the implementation of the Framework over the past two years. Agency leads reported on actions and collaborated on recovery initiatives, shared best practices, and discussed challenges or solutions. Many of the DEI initiatives described in this report address Framework recommendations. In 2022, DEI worked with the Countywide Strategic Plan team to transition the work of the Economic Recovery Forum to the longer-term strategies of the Countywide Strategic Plan and the Chairman's Task Force on Equity and Opportunity.

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2022 Goal 6 Highlights

In 2022, DEI and 12+ agency partners summarized their collective work on Framework implementation and mapped their progress on 92 actions to a countywide matrix.

Forum partners reported to the Board of Supervisors on how agency actions and fiscal support collectively accelerated an inclusive economic recovery through innovations in workforce development, grant relief to small businesses, nonprofits and artists, increased investment in affordable housing, expanded qualifying guidelines for childcare, and waived zoning and development fees for hospitality businesses.

DEI staff participated in the Countywide Data Analytics Team, which supports the work of the Countywide Strategic Plan and strengthens the application of data and data analytic tools for all county agencies.

Was other equity-related work completed in addition to the goals above? If so, please describe.

Expanding access to economic opportunity for diverse communities in Fairfax is a key driver for many of the innovative projects that DEI leads or supports.

Work-based Learning Initiative

In 2022, with support of the County's Economic Advisory Commission (EAC) and EDA, DEI and the Department of Family Services worked together to address the challenge of how local employers can address workforce shortages, expand talent pools and reskill our local workforce. Work-based learning is a proven way for businesses to attract, develop, and retain talent from previously overlooked worker groups, including immigrants, those with skills alternative to college and diverse workers seeking economic mobility opportunities.

DEI and DFS presented an overview of the proposed Work-Based Learning Initiative at the [April 2022](#) EAC and [September 2022](#) Economic Initiatives Committee meetings. This project will become a DEI Equity Plan Goal in 2023.

Place-Led Economic Development

DEI convened EAC member workshops on the topic of place-led economic development in September and October. Place-led economic development promotes just and equitable economies with economic opportunities for residents. Place-led development strategies seek to improve developers' ability to meet community needs, empower local stakeholders, build on existing assets, and respond to emerging trends. The meeting and workshops were arranged with the purpose of uncovering and validating the most significant aspects to create and maintain an economically competitive community and the processes to empower communities to that end.

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DEI facilitated discussions on aspects of place-led economic development related to One Fairfax's focal areas of community health and wellbeing, safety, development, and inclusive engagement. Additionally, DEI leveraged public participation by engaging eight internal and external stakeholders as workshop co-facilitators. Findings from the EAC meeting and workshops will inform future analysis and development of a solution. Meeting materials can be found [here](#). Place-led economic development will become a DEI Equity Impact Plan goal for 2023.

Smart City Challenge

Thirty-four companies proposed innovative technology-based solutions in this year's [Smart City Challenge](#) competition, co-sponsored by DEI, to advance equitable and inclusive opportunities for all people to thrive in the Greater Washington region. Prizes, including the opportunity to pilot test solutions with the County, were awarded based on innovation, equity and inclusivity, practicality, and regional impact. Exciting County partnerships initiated include: The Community Services Board will pursue a pilot with TuConsejeria, which provides telehealth to the Central American immigrant population in a linguistically and culturally relevant way. Neighborhood and Community Services is interested in pursuing a pilot with Pupils to Parklets, a TJ student team that wants to set up a program to teach students how to build parklets. The Office of Energy and Environmental Coordination is pursuing a pilot with Asoleyo, the design-centric solar panel company.

In 2022, DEI and Smart City Works partnered with the Office for Environmental and Energy Coordination (OEEC) on the first [pitch and pilot](#) to find solutions to support Fairfax County's goals climate change goals: including decreasing carbon emissions, improving air quality, promoting clean energy, and improving health outcomes, especially among underrepresented populations. Equity was one of the primary criteria for judging. More about challenge winners can be found [here](#).

DEI brings an economic perspective to agency-led projects that address equity and promote inclusive prosperity. In 2022, DEI participated in these important projects led by County agency partners:

Economic Mobility Pilot Project Design Team (One Fairfax, DFS agency leads) – DEI is part of the design team developing an innovative project to promote economic stability through guaranteed income payments and access to technology platforms where families can strengthen social networks and share solutions to improve their economic mobility. This pilot will launch in 2023.

Inclusive Prosperity Nonprofit Network (NCS, DFS agency leads) – DEI participated in a workgroup of 14 nonprofit workforce development leaders that collectively enroll 1500 low-income jobseekers to make recommendations to foster a more inclusive prosperity for workers struggling to advance their economic mobility. DEI shared findings of the EAC workgroup on work-based learning and helped to shape this group's future focus on work-based learning. The nonprofits who participated in this network will likely serve as suppliers of local talent who may be eligible for a future Work-based Learning Opportunity Fund.

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Community1+ (United Community, NCS agency lead) - The COMMUNITY+ initiative is a resident-led collective impact project that aligns resources and efforts to support communities based on the needs expressed by Mount Vernon/Route 1 community residents. County agencies, including DEI, function as allies to improve equity and reduce disparities in health, safety, economic strength, child and youth well-being, and neighborhood livability.

Convention on the Elimination of All Forms of Discrimination Against Women (CEDAW) (DFS Domestic and Sexual Violence Services and One Fairfax agency leads) DEI participated in a county agency workgroup charged with examining the potential adoption of CEDAW recommendations that address areas of potential gender discrimination and assess the available data on the condition of women and girls in Fairfax County. DEI researched and identified economic factors that contribute to gender disparity and shared findings and data limitations with the workgroup. The recommendations of the CEDAW workgroup were presented to the Board of Supervisors in September 2022.

Day Laborer Site Selection Advisory Committee (NCS, DPMM agency leads) – As a SAC member, DEI reviewed proposals to select operators to manage day laborer sites. These programs provide support for immigrants who gather at multiple locations throughout Fairfax County seeking employment opportunities.

Fort Belvoir Military Partnership (Fort Belvoir, DEI, County) – DEI supported a series of listening sessions that focused on diversity and equity held by the Garrison Commander at Ft. Belvoir and recruited participation from community partners including the Northern Virginia Regional Commission.

Made in Fairfax Retail Opportunities (Department of Planning and Development, Celebrate Fairfax agency leads) – coordinated a pop-up storefront opportunity at Workhouse Arts for Made in Fairfax members and promoted opportunities for local producers to participate in the PARC at Tysons. Made in Fairfax members are largely home-based businesses, which have a much lower barrier to entry and allow those with less capital and experience to start and own a business. Raising the visibility of their products through pop-up events and publicity provided in partnership with Visit Fairfax contributes to the viability of these businesses.