

Fairfax City ReConnected Grant Program Q & A Updated 7.23.20

My business has existed since before March 1, 2019 but not with a Fairfax City Business, Occupational and Professional License (BPOL), am I eligible for the ReConnected Grant?

No, businesses must have been operating in Fairfax City with a Fairfax City BPOL to be eligible for this grant opportunity.

What is a full time equivalent employee?

Employee count is determined by the total number of permanent full-time employee positions plus full-time equivalent positions (FTEs) prior to March 1, 2020. Employees are compensated staff.

- A permanent full-time employee is employed by the business for a minimum of 35 hours over a minimum of 48 weeks a year, or 1,680 hours per year. These employees often have standard fringe benefits paid by the business for the employee.
- Full-time equivalent positions (FTE) are often part-time, seasonal, or IRS-1099 contractor positions. These positions need to be converted into FTE positions based on one FTE equaling 1,680 hours per year. For example, if two part-time employees work a combined 1,680 hours per year, that is considered one full-time equivalent position.
- Self-employment as a sole proprietor or independent contractor is acceptable if it equals a minimum of 1,680 hours per year.
- Examples:
 - FTE = 1 employee working 1,680 hours in 2019
 - 1 FTE = 2 employees, working 840 hours each in 2019
 - 1 FTE = 10 employees, working 168 hours each in 2019

Am I eligible for the grant if I have stayed open for the duration of the State of Emergency?

Yes, the revenue eligibility portion of the ReConnected Grant is independent of whether or not a business was open during the State of Emergency. As long as a business can provide proof that there was a decrease in revenue from March, April, and May 2019 compared to 2020 they will be eligible under the revenue portion of the eligibility requirements.

I am a non-profit, am I eligible for the grant?

Generally, no. However, non-profit entities with a retail or sales component are eligible for the grant program. Eligible funds for these entities must be spent in furtherance of sustaining the retail or sales component of the entity.

I'm not registered in Virginia as a Small, Women-Owned, and Minority-Owned Business ([SWaM](#)) – how do I know if I qualify?

The Commonwealth of Virginia runs a certification process called SWaM (Small, Women-Owned, and Minority-Owned) for these types of businesses to allow them to gain priority in funding opportunities. For the purposes of this grant program, we are reserving 30 percent of grant funds specifically to Women-Owned, Minority-Owned, and Veteran-Owned businesses. The Fairfax City EDA definitions of the aforementioned business types will similarly coincide with the definitions necessary to be SWaM certified. Those definitions are as follows:

- “Women-owned,” “Minority-Owned,” and “Veteran-owned” means a business that is at least 51% owned by one or more individuals within one of the categories and who are U.S citizens or legal resident aliens, or in the case of a corporation, partnership, LLC, or other entity, at least 51% of the equity ownership interest is owned by one or more individuals within one of the given categories and who are U.S citizens or legal resident aliens, and both the management and daily business operations are controlled by one or more women.

Why is rent not covered?

Given that the funding availability is extremely limited, the City Council has made the difficult decision to not include rent as an eligible expense.

How do I receive the ReConnected \$10,000 grant?

During round 2 of the application process, applicants for both the \$5,000 and \$10,000 awards must provide a budget justification of eligible expenses. Businesses requesting \$10,000 will be required to provide additional information, which may include a narrative, detailing their previous and proposed response to COVID-19 and why their need is above and beyond that required of the \$5,000 level program.

If I apply for the \$10,000 grant but don't receive it will I be eligible for the \$5,000 grant?

Yes, eligible applicants that apply but do not receive the \$10,000 grant will be automatically considered for the \$5,000 grant.

If my organization gets a grant, will it be taxable?

Yes. At the present time it is considered taxable and must be reported on your 2020 taxes.

Will the Fairfax City EDA publish the names of businesses that awarded grant funds?

Yes. After all businesses are chosen and notified, grant awards will be listed on the EDA website and the City (and EDA) will issue a press release announcing the winners.

Do I have to do anything after I'm awarded a grant?

Yes! The Fairfax City ReConnected grant works on a reimbursement basis. That means that after you are notified of your award, you will be in contact with the program manager to begin the scoping process of the grant agreement. During this process, your business will have to submit receipts of eligible expenditures and you will be reimbursed accordingly. Furthermore, even if all of the awarded funds are allotted earlier than December 1, 2020, you must remain in contact with program manager through the end of the contractual agreement.

What happens if there is more CARES Act funding given to the Fairfax City EDA for small business grants?

In the event that more grants are made available, the EDA will communicate guidelines for the next round of applications on our [website](#) and social media channels.

Are there other resources if my business is not awarded ReConnected Grant funds?

Yes! Please visit the Economic Development's Authority's website and [resource guide](#).