

MOTION:

July 14, 2020
Regular Meeting

SECOND:

Res. No. 20-

RE: AUTHORIZE THE USE OF \$5 MILLION APPROPRIATED BY THE PRINCE WILLIAM BOARD OF COUNTY SUPERVISORS FOR ECONOMIC RECOVERY AND THE \$1 MILLION APPROPRIATED BY THE PRINCE WILLIAM BOARD OF COUNTY SUPERVISORS FROM THE ECONOMIC DEVELOPMENT OPPORTUNITY FUND FOR PROGRAMS RECOMMENDED BY THE ECONOMIC RECOVERY TASK FORCE AND AUTHORIZE THE COUNTY EXECUTIVE TO TAKE ALL NECESSARY ACTIONS AND EXECUTE ALL NECESSARY DOCUMENTS TO IMPLEMENT THESE PROGRAMS AND DIRECT THE COUNTY EXECUTIVE TO EVALUATE SPECIFIC POLICIES SUGGESTED BY THE ECONOMIC RECOVERY TASK FORCE AS DIRECTED BY THE PRINCE WILLIAM BOARD OF COUNTY SUPERVISORS

ACTION:

WHEREAS, the COVID-19 shut down and forced closure of non-essential businesses has severely impacted small business in Prince William County, particularly in the retail, restaurant, and travel-related sectors; and

WHEREAS, in April 2020, the Department of Economic Development created the Economic Recovery Task Force (ERT) to assist staff in developing recommendations to aid Prince William County's economic recovery Post-COVID-19; and

WHEREAS, the Economic Recovery Task Force consists of 42 business leaders representing a wide range of business industries, as well as representatives from many of the County's business partners; and

WHEREAS, on April 28, 2020, with Resolution Number (Res. No.) 20-333, the Prince William Board of County Supervisors (BOCS) appropriated \$1 million from the Economic Development Opportunity Fund (EDOF) to create a small business micro-loan or micro-grant program; and

WHEREAS, on May 12, 2020, the Commonwealth of Virginia notified the BOCS that Prince William County would receive \$41,034,915 in Coronavirus Relief Funds under the CARES Act; and

WHEREAS, on May 19, 2020, with Res. No. 20-392, the BOCS appropriated another \$5 million to fund the Small Business Relief Micro-Grant program that is currently being implemented and must be spent by December 30, 2020, in accordance with the terms and conditions defined by the U.S. Treasury Department; and

WHEREAS, on June 2, 2020, with Res. No. 20-420, the BOCS appropriated an additional \$5 million dollars to the economic recovery efforts to be based on the recommendations from the Economic Recovery Task Force; and

July 14, 2020
Regular Meeting
Res. No. 20-
Page Two

WHEREAS, the U.S. Department of Treasury guidance allows the CARES Act funding to be used for expenses associated with the provision of economic support in relation to the COVID-19 public health emergency and specifically mentions grants to small businesses; and

WHEREAS, the BOCS has determined that it may be necessary to provide financial assistance in response to COVID-19 to support economic development and recovery strategies to grow jobs and investment in Prince William County; and

WHEREAS, the ERT identified “inspire confidence to get back to business” as major factor in prioritizing recommendations; and

WHEREAS, the Economic Recovery Task Force has made recommendations to County staff for programs to be funded from CARES Act funding and EDOF Funds authorized by the BOCS and proposed additional nonmonetary and policy proposals to help aid Prince William County's recovery;

NOW, THEREFORE, BE IT RESOLVED that the Prince William Board of County Supervisors hereby authorizes the use of \$5 million appropriated by the Prince William Board of County Supervisors for Economic Recovery and the \$1 million appropriated by the Prince William Board of County Supervisors from the Economic Development Opportunity Fund for programs recommended by the Economic Recovery Task Force and authorize the County Executive to take all necessary actions and execute all necessary documents, approved as to form, by the County Attorney, to implement these programs and direct the County Executive to evaluate specific policies suggested by the Economic Recovery Task Force as directed by the Prince William Board of County Supervisors.

Votes:

Ayes:

Nays:

Absent from Vote:

Absent from Meeting:

For Information:

Department of Economic Development

ATTEST: _____
Clerk to the Board



STAFF REPORT

Board Meeting Date:	July 14, 2020
Agenda Title:	Authorize the Use of \$5 Million Appropriated by the Board of County Supervisors from CARES Act Funding for Economic Recovery and the \$1 Million Appropriated by the Board of County Supervisors from the Economic Development Opportunity Fund for Programs Recommended by the Economic Recovery Task Force and Authorize the County Executive to Take All Necessary Actions and Execute All Necessary Documents to Implement These Programs and Direct the County Executive to Investigate Specific Policies Suggested by the Economic Recovery Task Force as Directed by the Board of County Supervisors
Requested Action:	Approve the resolution.
Department / Agency Lead:	Department of Economic Development
Staff Lead:	Christina Winn, Executive Director

EXECUTIVE SUMMARY

In April of 2020, the Department of Economic Development created an Economic Recovery Task Force (ERT) to advise staff in developing recommendations to aid Prince William County’s economic recovery post-COVID-19. The ERT is supported by County staff from Economic Development, Tourism, Finance, Parks and Recreation, County Attorney, Development Services, Transportation, and Planning. In total, the Board of County Supervisors (BOCS) appropriated \$11 million for economic recovery which included 1) \$5 million of CARES Act funding for a Small Business Microgrant Program (currently being implemented), 2) \$5 million of CARES Act funding to be determined based on ERT recommendations, and 3) an additional \$1 million from the Economic Development Opportunity Fund to be determined based on ERT recommendations.

The ERT had significant discussions about what is necessary to stimulate Prince William County’s economy and accelerate economic development. “Establishing Confidence” emerged as the overwhelming theme from the ERT. As such, the ERT identified “inspire confidence to get back to business” as major factor in prioritizing recommendations. They also identified, given the time constraints of the CARES Act funding, that recommendations need to be actionable, timely, and impactful.

The ERT has reported out its recommendations and the Department of Economic Development now seeks Board action to authorize the use of \$5 million appropriated by the Board of County Supervisors from CARES Act funding for economic recovery and the \$1 million appropriated by the Board of County Supervisors from the Economic Development Opportunity Fund for programs recommended by the Economic Recovery Task Force and authorize the County Executive to take all necessary actions and to execute all necessary documents to implement these programs and direct the County Executive to investigate specific policies suggested by the Economic Recovery Task Force as directed by the Board of County Supervisors.

ECONOMIC DEVELOPMENT OPPORTUNITY FUND (\$1 million)

- Real Estate Development Incentive (\$500,000)
- New Business Start Ups & Pivot Grants (\$500,000)

CARES ACT FUNDING RECOMMENDATIONS (\$5 million)

- Infrastructure and Innovation Grants (\$1m to \$2.5 million)
- Workforce Reskilling and Transition (\$500,000 to \$1.5 million)
- Small Business Technical Assistance (\$150,000 to \$250,000)
- Be Safe, Work Safe, Shop Safe (\$250,000 to \$500,000)
- Ambassador Program (\$50,000 to 250,000)

Additional Programmatic or Policy Proposals

- Commercial Real Estate Taxes Penalty and Interest Deferral
- PayPal Credit for Business Taxpayers
- Create an Enviabl Development Approval Process
- Add Large Transportation Projects to the Comprehensive Plan
- Expand Data Center Opportunity Zone Overlay District
- Local Supply Program
- Broadband Infrastructure to rural and redevelopment areas
- Establish an Office of Childcare Services
- Innovative Workforce Housing Fast Track Permitting

BACKGROUND

Economic Recovery Task Force – In April of 2020, the Department of Economic Development created the ERT to assist staff in developing recommendations to aid Prince William County’s economic recovery Post-COVID-19. The ERT consists of 42 business leaders representing a wide range of business industries, as well as representatives from many of the County’s business partners. Forty percent of the ERT consists of business leaders representing small businesses, restaurants, and retail which were the hardest hit sectors by the pandemic. Additionally, almost two-thirds of the ERT consists of woman and minority-owned business leaders. The ERT is supported by County staff from Economic Development, Tourism, Finance, Parks and Recreation, County Attorney, Development Services, Transportation and Planning.

EDOF and CARES Act Funding – On April 28, 2020, via Resolution Number (Res. No.) 20-333, the Board of County Supervisors (BOCS) appropriated \$1 million from the Economic Development Opportunity Fund (EDOF) to create a small business micro-loan or micro-grant program. Shortly thereafter the County was awarded \$41 million of federal CARES Act funding from the Commonwealth of Virginia. On May 19th, 2020, via Res. No. 20-392, the BOCS appropriated another \$5 million of CARES Act funding to fund the Small Business Relief Micro-Grant program that is currently being implemented and must be spent by December 30, 2020 in accordance with the terms and conditions defined by the U.S. Treasury Department. Subsequently, on June 2, 2020, via Res. No. 20-420, the BOCS appropriated an additional \$5 million of the CARES ac funding to the economic recovery efforts based on the ERT’s recommendations. While the \$1 million from the EDOF does not have a deadline spend date, the \$5 million from the CARES Act funding must be spent by December 30, 2020.

Small Business Micro Grants Program – The first round of micro-grants was made to 144 companies beginning the week of June 20. These grants totaled \$1.2 million. As of June 28, the Department of Economic development received another 300 applications for the second round of grants. The estimated value of grants to be made in round two is \$1.8 million. Since an estimated \$2 million remains in funds authorized for the Small Business Micro Grant Program, applications are still being accepted.

The ERT discussed what is necessary to stimulate Prince William's economy and accelerate economic development. "Establishing Confidence" emerged as the overwhelming theme from the ERT. Success requires the consumer, the worker, and the business owner to be confident that the measures taken by business owners adhere to the health guidelines set out by the Center for Disease Control (CDC), Occupational Safety & Health Administration (OSHA), and the Virginia Department of Health (VDH) and that it is acceptable and safe to shop and/or patronize businesses. The ERT identified "inspire confidence to get back to business" as a major factor in prioritizing recommendations. They also identified, given the time constraints of the CARES Act funding, that recommendations need to be actionable, timely, and impactful.

It is the recommendation of staff that the BOCS fund the following items, and direct staff to further review and bring back to the BOCS for consideration several other short term and long term programmatic or policy proposals by the ERT.

ECONOMIC DEVELOPMENT OPPORTUNITY FUND (EDOF) RECOMMENDATIONS

- **Real Estate Development Incentive (\$500,000)** – Stimulate commercial development projects beyond Targeted Industries, including speculative development (office, flex, industrial), mixed-use development, retail, restaurants, and repurposing of structures by reducing or eliminating fees and providing expedited processing. This would reduce or eliminate building development fees for companies making changes to their workplace or store to accommodate business in the COVID-19 era. These funds would come from the \$1 million appropriated by the BOCS from the Economic Development Opportunity Fund (EDOF). This program would be available through June 30, 2021.
- **New Business Start Ups & Pivot Grants (\$500,000)** – In order to stimulate the economy, grants would be promoted to attract new business development and entrepreneurship in the Targeted Sectors. Working with the Industrial Development Authority of Prince William County (IDA), grants up to \$30,000 would be available for businesses starting a new venture within Prince William County. Grants could be used for operating, capital investment and workforce recruitment and training. Staff would contract with a consultant to help review applications to determine viability. These funds would come from the \$1 million appropriated by the Board of County Supervisors from the Economic Development Opportunity Fund. This program would be available through June 30, 2021.

CARES ACT FUNDING RECOMMENDATIONS

- **COVID-19 Infrastructure and Innovation Grants (\$1m to \$2.5 million)** – Many businesses, including those businesses that interface with the public such as restaurants, hotels, and service operations need to make improvements to their facilities to ensure they are operating in safe environments. This could include costs for mobile delivery, curbside pick-up operations, and/or improvements to HVAC systems to improve air quality. Hotels, gyms, etc. will need to re-think their logistic side of operations to provide safe distancing and limit touching. Working with the Industrial Development Authority of Prince William County (IDA), grants up to \$200,000 will be

made available for businesses that need to make capital investments for physical improvements to their operations, or innovate to adhere to the new normal of health guidelines. Businesses will be required to provide a plan for the improvements and show how these investments will make their business more resilient. The application period will be rolling until October 30, 2020, to process applications and distribute monies before the December 30, 2020 spending deadline. Applications will be reviewed by staff from a cross-section of departments supporting the ERT and ultimately approved by the County Executive or designee.

- **Workforce Reskilling and Transition (\$500,000 to \$1.5 million)** – Prince William County has experienced significant job losses due to COVID-19. The County’s unemployment rate has climbed from just 2.2% in February 2020 to 11.4% at the end of April/May 2020. Less than 70% of the lost jobs, approximately 16,100 workers, will return to work at the end of 2020. For workers to gain employment, in many cases they will need to accept jobs in different industries and possibly at different pay scales than their previous roles. Unfortunately, most Prince William County residents are unaware of the resources that are available to them to either find jobs or gain training. The ERT recommends providing a “virtual hub” that connects people that are unemployed or underemployed and connect them with training opportunities for new jobs. Funding would be used to create the virtual hub as well as contract with education partners (trades, community college, etc.) to provide vouchers for individuals.
- **Small Business Technical Assistance (\$150,000 to \$250,000)** – Hire an additional five business consultants through the Mason Small Business Development Center to work with small businesses to provide business recovery and other technical expertise that the small business otherwise would not have access to, especially minority and women-owned businesses. This program would greatly expand small business consulting services and could be done remotely if necessary.
- **Be Safe, Work Safe, Shop Safe (\$250,000 to \$500,000)** – Recognizing that training and education are a key to maintaining a safe business and consumer environment, the ERT recommends a training program for business owners and their employees. This program would complement the #PrinceWilliamPledge as employers that participate in the training programs would then promise or pledge to maintain a healthy workplace. Vouchers will be made available for employers to train their employees in best practices based on CDC, OSHA, and VDH guidelines. The ERT recommends that the County work with the Prince William Health District, or another appropriate organization, to develop and provide a training program as similarly done in the City of Alexandria.
- **Ambassador Program (\$50,000 to \$250,000)** – In order to inspire confidence within the Prince William economy, consumers need to be assured that businesses are adhering to the health and safety guidelines set forth by the CDC, OSHA, and VDH. However, the ERT identified that many businesses are confused or do not know where to find assistance in navigating the current and future health guidelines. To help distribute the information more effectively to the business community, a troop of volunteer ambassadors from partners such as Prince William Chamber of Commerce and Leadership Prince William led by County staff would make house calls to local businesses to distribute this critical information. Funds would be used to reallocate (i.e. temporarily reassign) County staff to DED to help lead the Ambassador program efforts. Ambassadors volunteers would be assigned a magisterial district to canvas business armed with #PrinceWilliamPledge information, decals, PPE supplies, and VDH, OSHA, and CDC resources regarding health and safety guidelines. As Virginia and Prince William County move through the

various stages of the Governor's Forward Virginia plan, it will be more critical that our business community has access to the most current information.

Additional Programmatic or Policy Proposals

In addition to these timely, actionable, and impactful CARES Act recommendations the ERT request the BOCS consider the following that are beyond the purview of County Staff to help aid Prince Williams' economic recovery:

- **Commercial Real Estate Taxes** – There is consensus that the County should provide additional tax relief to local businesses – for practical impact, as well as optics to assist in resetting a sense of confidence in the local business community. Several other counties in the region have already implemented such programs and by Prince William engaging in similar efforts, it would keep us on par with our competitors. The ERT recommends that the BOCS adopts an ordinance to eliminate the penalty and set a 0% interest for County real estate taxes for commercial properties due July 15. The intent is to do this for sixty (60) days, and to have a follow-up ordinance enacted on Sept. 15 to reset penalties and interest to the usual levels. This would not apply to penalties and interest owed in previous periods. It is also important to note that the BOCS cannot reduce/eliminate the penalty and interest for commercial properties only. Therefore, any action taken would also apply to residential properties. The County currently receives approximately \$6.3 million per year from penalties and interest.

The County Attorney advises that the interest rate is set by ordinances (pursuant to Virginia Codes §58.1-3916 and 15.2-1427 (D)). A change in rate requires an ordinance, which requires a public notice. An emergency ordinance may be adopted without prior notice and is effective for 60 days (Virginia Code §15.2-1427 (F)).

- **PayPal Credit for Business Taxpayers** – Encourage the Department of Finance to continue its evaluation of a system where business owners could use PayPal as a payment option for paying their business taxes. This effort embraces the use of technology and increases access for many of our community's business owners.
- **Enviabl Development Approval Process** – After surveying its members and peer business leaders, the Real Estate Development Committee recognized that County has continued to refine its development review processes and is a leader in Northern Virginia. In order to continuously improve the experience, the Committee identified that speeding up the County's approval processes and alleviating certain regulatory hurdles will improve our competitiveness. A guiding principle to achieve this objective is that the County and the applicant should be viewed as *project partners* in the real development process, with a *shared goal* of completing the approval process as quickly as possible, while preserving the integrity of the process and without sacrificing meaningful review.

The Committee recognizes and supports the County's ongoing efforts in this regard, including its effort to establish an electronic plan submission and review platform and improve the bond release process, as well as the BOCS recent action authorizing the Director of Development Services to grant applicants a one-year extension of the validity of expiring subdivision plans, final site plans and plats, upon compliance with certain standards.

Consistent with the County's ongoing efforts and the guiding principle above, the Committee recommends (1) evaluating policies to identify where greater flexibility can be achieved, and (2) adopting a scheduling order protocol to help speed up the approval process, as more particularly described below.

1. **Policy Evaluation and Reform** – The Committee recommends that the BOCS direct the offices of planning, land development, and building development to evaluate existing policies to determine if there are opportunities to provide greater flexibility.

One example raised by Committee members is to examine whether the Expedited Commercial Plan Review Process (Building Development Policy 2.2) may be expanded. Currently, this expedited approval process for low-complexity tenant layouts is available only for spaces that are less than or equal to 7,500 square feet. However, there may be scenarios where greater flexibility can be achieved without sacrificing safety. For example, an in-line tenant in an enclosed mall may have a very similar tenant layout (in terms of complexity) to the neighboring tenant in the mall, but one tenant's store is 8,500 square feet and the other tenant's store is 7,500 square feet. Only one can benefit from the expedited review process. Similar situations arise in office and office-flex environments. Thus, several businesses could benefit from reforming this policy if it can be accommodated without sacrificing safety.

Another example is to re-examine the zoning ordinance for unnecessary complexity, such as reviewing the number of uses requiring special use permits to determine whether legislative approvals are truly necessary for every such use. Also, to respond to the changing economy and the increase in e-commerce that is likely to continue post-Covid, the County should re-examine its industrial districts, encourage flex/industrial users to locate in the County, and remove obstacles such as requiring last-mile fulfillment facilities to rezone land to M-T when M-1 would suffice. The Committee believes the County will benefit from each department continuing to examine its policies for similar opportunities to provide flexibility.

2. **Scheduling Planning Protocol** – To provide greater certainty for the commercial real estate development community and thereby stimulate economic recovery, the County should establish a protocol whereby the County and the applicant jointly develop a schedule for the approval process for significant real estate development. Setting a reasonable timeline from the start will help to ensure that the process moves with reasonable speed and stays on track. As part of the pre-application process, a "scheduling conference" would be held to set the schedule. The goal of the scheduling conference is to identify all the necessary steps in the approval process and the time it takes to complete each step as expeditiously as possible; a project timeline – the "Scheduling Plan" – then emerges from that purposeful analysis.

The Scheduling Plan would delineate all dates for submissions, anticipated rounds of agency review and comment, applicant's response dates, citizen meetings, other key dates and contingencies, and public hearing dates. While approval process times must vary, of course, with the complexity of the project, and unforeseen circumstances may necessitate schedule revision, the County and the applicant would otherwise adhere to the project timeline established in the Scheduling Plan, lending predictability to the process and fostering a collaborative approach.

- **Large Transportation Projects** – The Infrastructure Committee identified and endorsed by the ERT large transportation projects such as the Bi-County Parkway and Fast Ferry as critical infrastructure to be reincluded into the Comprehensive Plan.
 - **Bi-County Parkway** – The purpose is to establish a north south transportation route to connect Dulles Airport with Prince William County's employment centers. The ERT identified this important transportation corridor to stimulate economic development along the new corridor. This would open up opportunities for new commercial development and would be seen by prospective new tenants as an advantageous location due to its proximity to the Dulles Airport, the I-66 Corridor, and Ashburn which houses the "hub" of the internet.
 - **Fast Ferry** – The Infrastructure Committee identified the Fast Ferry as economical and actionable to both create a transportation alternative from the Occoquan to Washington DC, but also to encourage the further redevelopment of Eastern Prince William by providing another mode to visit Prince William from Washington, Arlington, Alexandria and Fairfax. Identifying private partners and adding Fast Ferry to the County's Comprehensive Plan requires the approval of the BOCS. Currently, \$250,000 is needed to match a Department of Rail and Public Transportation grant for project planning and a business feasibility assessment.

- **Data Center Opportunity Zone Overlay District Expansion** – Data Centers are a driver of the commercial tax base. Data centers have increased their importance to the national and regional economies during COVID-19. As residents everywhere were stuck at home, people shopped and connected virtually, the "Zoom Boom" as it is being called. The Zoom Boom is heavily reliant upon the data center industry. As such, the ERT identified that demand for data centers will increase and the County needs more available real estate development-ready land to be competitive.

Data centers are a major source of commercial tax revenue that support the County's schools, parks and recreation, and community and social services. Unfortunately, economically viable land within the current data center opportunity zone overlay district is shrinking rapidly. To continue to attract data centers, expanding the data center overlay zone is recommended by the Infrastructure Committee.

- **Local Supply Program** – Like the Shop Local program implemented by the Parks, Recreation and Tourism Department, this program would promote to existing businesses the ability to purchase their supplies locally from other existing businesses. In many cases, existing employers might be unaware that another local business can provide the needed services or products to operate their businesses effectively. By providing meaningful connections and promoting this effort, the Infrastructure Committee believes that our existing businesses will benefit and increase revenues for existing businesses.
- **Broadband Infrastructure to Rural and Redevelopment Areas** – The current environment caused by COVID-19 has shown the inequity of broadband access for those in rural or underserved communities. It is the belief of the Task Force that working and schooling from home will be a continuing trend for the foreseeable future. To provide opportunities to all Prince William County residents, the Infrastructure Committee recommends expanding broadband infrastructure in the form of fiber optics and 5G connectivity to all parts of the county. This will also support the real estate industry in providing innovative housing that incorporates technology and connectivity, as

discussed above. The Economic Development Administration grants may provide opportunities for funding for specific projects. The ERT recommends that County staff, including the Department of Information Technology and Schools, work together to evaluate the opportunity.

- **Establish an Office of Childcare Services** – Accessible and affordable quality childcare is a prerequisite for economic recovery. Working families must be confident to return to work while secure in the knowledge that their children are in a safe, caring, and stimulating environment. Nearly 60% of children under five are enrolled in childcare. Given new burdens of daily health and safety requirements and reductions in enrollment, the day care industry is in crisis, and some sites will not reopen.

Situation in the Commonwealth: As of 6/17/2020 –

- 58% of child centers are closed
- 60% of religious exempt preschools are closed
- 17% of family day homes are closed

Childcare is a business, and the programs are primarily funded by private fees paid by parents, which comprise operating budgets that fund the staff and fixed costs such as leases, utilities, and insurance. As tuition revenue has fallen amid the COVID-19 crisis, costs associated with cleaning and supplies have increased. Childcare centers and family day care homes staff have the additional burden of finding and paying for masks, gloves, thermometers, as well as daily cleaning and disinfecting of all toys and linens following CDC guidelines.

Smart Beginnings Greater Prince William (SBGPW) is the only area organization exclusively dedicated to advocating for quality early childhood health and educational programs for children ages 0-5 years. However, as a solely donor-funded organization, not supported by any government funding, SBGPW's generous volunteer commitment will not be sufficient to respond to this ensuing childcare crisis for PWC's working families and the childcare industry. Prince William County does not currently have an organized system or government-funded agency in place to design, coordinate, and execute a strategic plan to support the recovery of the workforce for both parents and the childcare industry. The solution for now and in the future is to create a county office or to consider contracting with a vendor to address early childhood needs and coordinate services for our young citizens and their families.

- www.pwcgov.org
 - <https://www.carelulu.com/daycare-cost>
 - www.pwcgov.org/government/dept/socialservices
 - <https://www.vdh.virginia.gov/coronavirus/>
- **Innovative Workforce Housing Fast Track Permitting** – Expedited processing and fee reduction incentives also could be used to stimulate innovative homebuilding to house the County's workforce. While "workforce housing" means different things to different people, as used herein, the term is intended to describe housing for all workers at all income levels and includes all housing types – the goal is to foster innovation to create desirable communities for all. Companies looking to locate corporate headquarters, for example, consider the desirability of a community in

terms of the availability of housing for employees at all income levels.¹ Commercial development is dependent on housing because businesses locate where there is an abundance of residential communities, not the other way around.

Thus, adequate housing is a critical component of the economy, even in “normal times”. Despite the enormous challenges of the current health crisis, this moment presents a unique opportunity to emerge stronger. In response to COVID-19, mobility patterns have shifted, and attitudes have changed about everything from telework to online grocery shopping. While we cannot predict with certainty every pattern of “post-COVID” society, forward-thinking planners, designers, and policymakers will seize this moment to build upon beneficial practices that have emerged from the crisis. Additionally, Prince William County is uniquely positioned among its Northern Virginia neighbors to be the leader in innovative housing, given the greater affordability and availability of land that the inner jurisdictions lack.

The Real Estate Committee recommends that the County spur this innovation in workforce housing and technology (including both design and infrastructure) by using fast-track permitting akin to the County’s process for its targeted industries. With incentives such as fast-track permitting and establishment of a Workforce Housing and Technology Innovation Fund, Prince William could emerge from the current crisis as the region’s leader in innovative workforce housing and technology and solidify its pro-business climate to attract the attention of national companies looking to expand.

STAFF RECOMMENDATION

Authorize the use of \$5 million appropriated by the Board of County Supervisors from CARES Act funding for economic recovery and the \$1 million appropriated by the Board of County Supervisors from the Economic Development Opportunity Fund for programs recommended by the Economic Recovery Task Force and authorize the County Executive to take all necessary actions and execute all necessary documents to implement these programs and direct the County Executive to investigate specific policies suggested by the Economic Recovery Task Force as directed by the Board of County Supervisors.

Service Level / Policy Impact

Implementing these programs meets several of the goals of the Robust Economy strategic plan. The recommended programs are primarily targeted at small businesses to help them defer costs of investments needed to make their businesses more resilient. This will allow businesses to hire back employees and that supports the Robust Economy goal of increasing employment in small businesses. The Workforce Reskilling Program will help County residents find new jobs, some of which will be in the County, and that supports the Robust Economy goal of increasing at-place employment. Taken together the recommended programs are designed to help businesses invest and create jobs in Prince William County by reducing fees, providing technical assistance, stimulating start-ups, retraining workforce, and inspiring confidence.

¹ “You almost can’t have too much information about all the things that impact the desirability of a community, such as the housing industry: how attractive is it going to be for a corporate user to relocate 50 of its senior-level people?” *What You Need to Know About Corporate HQ Site Selection*, *GlobeSt.com*, October 10, 2017 (quoting Chris Zlocki, *Colliers International*).

Fiscal Impact

These programs will spend the \$5 million in CARES Act funds by the December 30, 2020 deadline of the CARES Act. The Real Estate Development Incentive and New Business Start Up Grants will be funded from the \$1 million the Board authorized from the Economic Development Opportunity Fund. The Small Business Micro Grant Program has an estimated \$2 million in funds remaining that must be spent by December 30, 2020. The use of CARES Act Funds for the proposed programs, except the Real Estate Development Incentive and New Business Start Up Grants, is a permissible use under the guidance provided by the US Treasury Department.

Legal Impact

The Board of County Supervisors has the legal authority to authorize these general programs and expenditures. The County Executive will consult with the County Attorney regarding the specific design and implementation of the programs. The County Attorney will review all documents related to the programs and approve them as to form.

STAFF CONTACT INFORMATION

Jeff Green | (703) 853-3142
jgreen@pwcgov.org