

CITY OF WAYNESBORO, VIRGINIA

CITY COUNCIL BUSINESS MEETING AGENDA



TERRY SHORT, JR., MAYOR, *AT LARGE*
BOBBY HENDERSON, VICE MAYOR, *WARD C*
BRUCE ALLEN, COUNCIL MEMBER, *WARD B*
JEANIE McCUTCHEON, COUNCIL MEMBER, *WARD A*
SAM HOSTETTER, COUNCIL MEMBER, *WARD D*

TO BE HELD ELECTRONICALLY AND
VIEWABLE ON THE CITY'S YOUTUBE CHANNEL AND
THE GOVERNMENT ACCESS CHANNEL
ON MONDAY, JUNE 8, 2020 AT 7:00 P.M.

1. CALL TO ORDER/PLEDGE OF ALLEGIANCE TO THE FLAG OF THE UNITED STATES OF AMERICA

2. ADOPTION OF BUSINESS MEETING AGENDA

3. CONSENT AGENDA

Any item placed on the consent agenda shall be removed and considered as a separate matter, if so requested by any member of Council, otherwise all items will be voted on with one (1) motion.

3.a. Approval Of May 27, 2020 Regular Business Meeting Minutes.

Approval of May 27, 2020 Regular Business Meeting Minutes.

Documents:

[3a 2020 0527.Minutes Draft.pdf](#)

3.b. Fiscal Year 2020 Budget Amendment No. 2:

Second consideration/adoption of the ordinance.

Documents:

[3b Budget Amendment Number 2 052720.Pdf](#)

4. MATTERS FROM COUNCIL MEMBERS.

5. PUBLIC HEARING – COURTHOUSE SECURITY FEE INCREASE:

Hold a public hearing to receive public comments and consider introducing an ordinance assessing costs in each criminal or traffic case for funding of courthouse security pursuant to Virginia Code Section 53.1-120.

Documents:

[5 Courthouse Fee000.Pdf](#)

6. CITY OF WAYNESBORO CARES ACT SMALL BUSINESS RELIEF GRANT:

Receive a report from Mr. Gregory Hitchin, Director of Economic Development and Tourism, regarding a proposed CARES Act-funded small business relief grant program.

Documents:

[6 CARES Act Small Business Grants.pdf](#)

7. APPROPRIATION ORDINANCE – CARES ACT:

Consider introducing an ordinance appropriating funds from the CARES Act in the amount of \$100,000 to the General Fund, for an Economic Development Business Grant Program, for the fiscal year ending June 30, 2021.

Documents:

[7 6-8-20 CARES Act Econ Dev Grant Program Ordinance.pdf](#)

8. CORRESPONDENCE, COMMUNICATION, AND CALENDAR

9. CITIZEN COMMENT PERIOD

10. CLOSED MEETING (IF NECESSARY)

11. ADJOURN

Citizens are encouraged to participate in public hearings or the citizen comment period in the following ways:

1. Citizens may email comments prior to 5:00 p.m. on Monday, June 8, 2020 to the Clerk of the Council at bortleje@ci.waynesboro.va.us. Please identify your name and home address and topic of your comment. Comments will be noted at the meeting and incorporated in the minutes of the meeting.
2. Comments may be submitted online at www.waynesboro.va.us. Comments submitted prior to 5:00 p.m. on Monday, June 8, 2020 will be noted at the meeting and incorporated in the minutes of the meeting.
3. Citizens may call in comments after each public hearing is opened. Calls will be answered in the order in which they are received.
 - a. Dial toll free number (844) 844-9200.
 - b. When promoted, enter the access code for the meeting: 398145#
 - c. You will hear "Q&A session has started. Press *6.
 - d. You will hear "If you'd like to speak, please press 1 to be added to the queue".
 - e. Press 1.
 - f. While you are in the queue, you will hear the audio feed of the meeting.
 - g. Wait until you are prompted by the moderator, then share your comments with Council. Participants are reminded that though the prerecorded prompts refer to questions, the public hearing and citizen comment portions of the meeting are a time for Council simply to hear your comments.

Meetings continue to be broadcast on government access television and live streamed on the City's YouTube Channel.

WAYNESBORO, VIRGINIA

CITY COUNCIL REGULAR BUSINESS MEETING MINUTES



Council for the City of Waynesboro, Virginia held a Regular Business Meeting on Wednesday, May 27, 2020 at 7:00 p.m. via “Zoom” with staff and Council members participating remotely due to the Coronavirus COVID-19 pandemic and the Governor’s limitation of social distancing:

PARTICIPANTS: Council Members: Bobby Henderson, Vice Mayor
Bruce Allen, Council member
Sam Hostetter, Council member
Jeanie McCutcheon, Council member

City Staff: Mike Hamp, City Manager
Jim Shaw, Deputy City Manager
Julia Bortle, Clerk of the Council
Cameron McCormick, Finance Director
Luke Juday, Planning Director

City Attorney: Melisa Michelsen, Litton & Sipe, LLC

ABSENT: Terry Short, Jr., Mayor

INTRODUCTION BY MAYOR:

The Vice Mayor opened the meeting and reviewed the process for citizens to comment during the public hearings and the citizen comment period.

BUSINESS MEETING AGENDA:

Council member Hostetter moved to amend the Business Meeting Agenda to include Item 11 as Citizen Comment Period. Having been seconded and with no objections, the motion to amend the Business Meeting agenda was adopted 4:0:

| | | | |
|-----------------------------|---------------|----------------------------------|------------|
| Mayor Short | Absent | Council member Allen | Aye |
| Vice Mayor Henderson | Aye | Council member Hostetter | Aye |
| | | Council member McCutcheon | Aye |

Council member Allen moved to adopt the amended Business Meeting Agenda as presented. Having been seconded and with no objections, **the amended Business Meeting Agenda was adopted 4:0:**

| | | | |
|-----------------------------|---------------|----------------------------------|------------|
| Mayor Short | Absent | Council member Allen | Aye |
| Vice Mayor Henderson | Aye | Council member Hostetter | Aye |
| | | Council member McCutcheon | Aye |

CONSENT AGENDA:

Council member Allen moved to adopt the Consent Agenda as provided. Having been seconded and with no objections, the motion to adopt the Consent Agenda was adopted 4:0:

| | | | |
|-----------------------------|---------------|----------------------------------|------------|
| Mayor Short | Absent | Council member Allen | Aye |
| Vice Mayor Henderson | Aye | Council member Hostetter | Aye |
| | | Council member McCutcheon | Aye |

- a. Approval of Meeting Minutes:
 - i. Monday, April 27, 2020 Budget Work Session;
 - ii. Monday, April 27, 2020 Regular Business Meeting;
 - iii. Tuesday, May 5, 2020 Joint City Council and Board of Elections Meeting;
 - iv. Thursday, May 7, 2020 Regular Business Meeting;
 - v. Thursday, May 14, 2020 Regular Business Meeting.
- b. 2020 Census Report: Receive the official updated 2020 Census Report for Staunton-Augusta-Waynesboro communities.

MATTERS FROM COUNCIL MEMBERS: With no matters from Council members, the meeting continued.

PUBLIC HEARING – SALE OF CITY-OWNED PROPERTY AT 105 PELHAM INLET:

The Planning Director reviewed the request for the City to sell a 0.15 acre section of a City-owned parcel at 0 Village Drive, Waynesboro, Virginia, City Tax Map number 22-25-A to Hodge, Richard E (Trust) & Hodge, Lois Jane (Trust), to be adjoined to a property located at 105 Pelham Inlet, Waynesboro, Virginia, City Tax Map number 23-12-12, in accordance with subdivision application SUB 20-011, to enable the sale of 105 Pelham Inlet. The encroached property is part of the City’s stormwater facility, and City Engineering has determined the sale would not affect the operation of the stormwater pond located on the adjacent property. Staff recommends approval of the sale at the assessed price of \$735.

With no questions from Council, the public hearing was opened at 7:10 p.m. With no callers or comments submitted regarding this topic, the public hearing was closed at 7:14 p.m. Council member Allen moved to adopt the resolution. **Having been seconded and with no objections, the resolution was adopted 4:0:**

| | | | |
|-----------------------------|---------------|----------------------------------|------------|
| Mayor Short | Absent | Council member Allen | Aye |
| Vice Mayor Henderson | Aye | Council member Hostetter | Aye |
| | | Council member McCutcheon | Aye |

RESOLUTION ^(R20-09)
APPROVING CONVEYANCE OF
6,424 SQUARE FEET IN PELHAM VILLAGE

WHEREAS, the City of Waynesboro (the “City”) is the owner of certain real property (the “Parent Parcel”) located in the Pelham Village subdivision and identified on the tax maps of the City of Waynesboro as Tax Map Number 22-25-A;

WHEREAS, the owners of certain adjacent property desire to purchase from the City a corner of the Parent Parcel consisting of 6,434 square feet, more or less, (the “Property”), as shown and

described on a minor subdivision plat dated April 28, 2020, made by Thomas W. Dorr, L.S., a copy of which plat is attached hereto; and

WHEREAS, the adjacent owner has agreed to reimburse the City for the cost of advertisement for the public hearing, the cost of preparation of the deed, and to pay the City the tax-assessed value of the Property, which is \$735.00.

WHEREAS, after due notice and a public hearing, the City Council has decided to approve the conveyance of the Property.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF WAYNESBORO, VIRGINIA AS FOLLOWS:

1. The conveyance of the Property to the Richard E. Hodge Trust and the Lois Jane Hodge Trust is hereby approved.
2. The deed and plat attached hereto are hereby approved.
3. The City Manager or Mayor, either of whom may act, are hereby authorized to sign the deed, plat, and any other closing documents, and to convey the Property.
4. The City Manager is hereby authorized to take any other actions that are reasonable and necessary to record the deed and effectuate the purpose of this Resolution

Resolved this 27th day of May 2020.

ATTEST: _____
Clerk, City Council

Vice Mayor, City Council

PUBLIC HEARING – FISCAL YEAR 2020 BUDGET AMENDMENT:

The Finance Director provided a review of the budget amendment to appropriate money to the CIP Fund for various projects and for CAPSAW.

The public hearing was opened at 7:20 p.m. With no callers or comments submitted, the public hearing was closed at 7:21 p.m. Council member McCutcheon moved to introduce the ordinance **TO AMEND THE FISCAL YEAR 2020 BUDGET ORDINANCE FOR THE CITY OF WAYNESBORO BY ADDING BUDGET AMENDMENT NO. ONE.** Having been seconded and with no objections, the ordinance will be considered for adoption at the June 8, 2020 Regular Business Meeting.

RESOLUTION – AUGUSTA HEALTH MEMORANDUM OF UNDERSTANDING:

The City Manager reviewed the request of Augusta Health to participate in a drug discount program and to do so, Augusta Health must contract with the local government to which they commit to providing health care services to uninsured and under-insured individuals in the area. The resolution and Memorandum of Understanding for Council’s consideration confirms that commitment. Either party may cancel the arrangement with a sixty-day notice.

Council member Hostetter asked if Staunton and Augusta County will have a similar arrangement with Augusta Health, but that was unknown. Council member Allen moved to adopt the resolution

authorizing the City Manager to enter into a Memorandum of Understanding with Augusta Health to facilitate Augusta Health's participation in the 340B Pharmacy Program. **Having been seconded and with no objections, the resolution was adopted 4:0:**

| | | | |
|-----------------------------|---------------|----------------------------------|------------|
| Mayor Short | Absent | Council member Allen | Aye |
| Vice Mayor Henderson | Aye | Council member Hostetter | Aye |
| | | Council member McCutcheon | Aye |

RESOLUTION ^(R20-20)
**AUTHORIZING EXECUTION BY THE CITY OF WAYNESBORO
OF A MEMORANDUM OF UNDERSTANDING WITH
AUGUSTA HEALTH CARE, INC.**

WHEREAS, Augusta Health, Inc. ("Hospital") is a nonprofit hospital that plays a vital role in the health care safety net by supporting programs that benefit the indigent, uninsured, and underinsured population in the Commonwealth of Virginia;

WHEREAS, Augusta Health, Inc. desires to participate in the drug discount program established under Section 340B of the Public Health Services Act (the "340B Program");

WHEREAS, in order to participate in the 340B Program, Augusta Health, Inc. must contract with a unit of state or local government pursuant to which Augusta Health, Inc. commits to provide healthcare services to low-income individuals who are neither entitled to benefits under Medicare (Title XVIII of the Social Security Act (SSA)) nor eligible for assistance under Medicaid (Title XIX of the SSA);

WHEREAS, Augusta Health, Inc. desires to make such a formal commitment to the City of Waynesboro; and

WHEREAS, City Council of Waynesboro desires to accept such commitment on behalf of the citizens of Waynesboro.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF WAYNESBORO, VIRGINIA AS FOLLOWS:

1. The City Manager is hereby authorized to enter into a Memorandum of Understanding in substantially such form as attached hereto as Exhibit 1; and
2. The City Manager is hereby authorized to take any other actions that are reasonable and necessary to effectuate the terms of the Memorandum of Understanding.

Resolved this 27th day of May, 2020.

ATTEST: _____
Clerk, City Council

Vice Mayor, City Council

THIRD QUARTER FINANCIAL REPORT:

The Finance Director provided the Third Quarter Financial Report for the period ending March 31, 2020, noting that tax revenue trends were beginning to be impacted by COVID-19.

COVID-19 REPORT AND FUNDING UPDATE:

The Deputy City Manager provided a report and update regarding COVID-19 and reopening planning in Waynesboro, noting that what is discussed may change as information becomes available. A phased reopening is anticipated to begin June 10, 2020, noting the City pool and Parks and Recreation programs will remain closed or cancelled. The reopening will be based on the Governor's guidance, health and safety protocols, and continued monitoring. Citizens can expect that business processes may be modified to contain the risk of spread.

Federal funding review included the Community Development Block Grant of \$114,000 of additional Entitlement Program funding to be incorporated in the 2020 Annual Plan. Staff anticipates bringing to Council in July and August an annual plan that incorporates these funds. The CARES Relief Fund provides the City with \$1,974,380 of Federal Relief Funds that will reimburse the City for eligible expenditures directly associated with COVID-19 expenses between March and December 2020.

COMMUNICATION, CORRESPONDENCE, AND CALENDAR:

Resolution for Downtown Restaurant Use of City Property: In response to some downtown restaurants' request to use public space for outside dining during the Governor's Executive Order that no indoor dining is permitted due to COVID-19, Council member Hostetter moved to adopt a resolution authorizing the City Manager to take action to effectuate outdoor dining accommodations considering the Governor's restrictions, Fire and Safety considerations, and the impact to citizens on the affected properties. Having been seconded and with no objections, the resolution was adopted 4:0:

| | | | |
|-----------------------------|---------------|----------------------------------|------------|
| Mayor Short | Absent | Council member Allen | Aye |
| Vice Mayor Henderson | Aye | Council member Hostetter | Aye |
| | | Council member McCutcheon | Aye |

RESOLUTION (R20-21)

**AUTHORIZING CITY MANAGER TO TAKE ACTION AND
EXECUTE DOCUMENTS TO EFFECTUATE OUTDOOR DINING ACCOMMODATIONS
FOR BUSINESSES IN THE CITY DUE TO COVID-19**

Council member Hostetter moved that the following be and hereby be adopted:

1. Heritage may use of the sidewalk immediately adjacent to its location during all hours of operation and closure of that portion of Lumos Plaza, immediately adjacent to its location on Friday and Saturday evenings from 5:30 PM until 11:00 PM.
2. Mister Jamison's may set tables on the sidewalk adjacent to their location or if space is insufficient, alternatives will be considered.
3. The above two approvals are subject to and conditioned on the following:
 - a. *The establishments must comply with Gov. Northam's Orders regarding masks, social distancing, sanitization stations, etc. and obtain all applicable, requisite*

- permits, including without limitation from the City, the Va. Dept of Health, and the Virginia ABC; and*
 - b. *They must ensure that their insurance covers the off-site location;*
 - c. *They must sign a simple agreement that includes an indemnification and hold harmless provision; and*
4. *The City Manager is authorized to take any and all action and execute all documents deemed reasonably necessary to effectuate the purpose of these accommodations.*

Resolved this 27th day of May, 2020.

ATTEST: _____
Clerk, City Council

Vice Mayor, City Council

CITIZEN COMMENT PERIOD:

David Geiger, Chairman of the Waynesboro Historic Commission: submitted a written comment that asked Council to consider renaming the Florence Avenue Bridge for Ms. Augustine Bellamy, providing the reasons for this request.

Chanda McGuffin, Waynesboro: as Co-Founder of RISE, called to ask Council to rename the Florence Avenue Bridge for Ms. Augustine Bellamy, stating that through meetings with the City, it was recommended the bridge be named for a local citizen who contributed to the community, and she reviewed those accomplishments.

Anitria Bellamy, Waynesboro: called on behalf of the Bellamy family who would appreciate the honor of her grandmother’s name being put on the renamed Florence Avenue Bridge, stating those reasons.

Herman Wells, Waynesboro: called regarding concern for those people who may be unaware of the requirement to wear a mask to purchase food or may be unable to purchase one as it could lead to sharing masks among the homeless.

Stacey Jones, Waynesboro: written comment asking the Florence Avenue Bridge be renamed for Ms. Augustine Bellamy, stating those reasons.

ADJOURN: Having no further business to discuss, Council member McCutcheon moved to adjourn the meeting. Having been seconded and with no objections, the meeting was adjourned 4:0 at 8:38 p.m.:

| | | | |
|-----------------------------|---------------|----------------------------------|------------|
| Mayor Short | Absent | Council member Allen | Aye |
| Vice Mayor Henderson | Aye | Council member Hostetter | Aye |
| | | Council member McCutcheon | Aye |

Julia Bortle, MMC, Clerk of Council

Robert Henderson, Vice Mayor

Ordinance No. 2020-
AN ORDINANCE TO AMEND
THE FISCAL YEAR 2020 BUDGET ORDINANCE
FOR THE CITY OF WAYNESBORO
BY ADDING BUDGET AMENDMENT NUMBER ONE

ITEM 3(b)

BE IT ORDAINED, by the City Council of the City of Waynesboro, Virginia, that the FY2020 Budget is amended as follows:

GENERAL FUND

Anticipated Revenue

| | | |
|--------------------------------------|----|---------|
| Intrafund Transfer from Fund Balance | \$ | 930,038 |
| Total Revenue | \$ | 930,038 |

Appropriations

| | | |
|------------------------|----|---------|
| Transfer to - CIP Fund | \$ | 930,038 |
| Total Appropriations | \$ | 930,038 |

Fund Balance Changes

| | | |
|----------------------------|--|----------|
| Assigned Fund Balance | | (21,894) |
| Minor Maintenance Reserve | | 21,894 |
| Total Fund Balance Changes | | - |

CIP FUND

Anticipated Revenue

| | | |
|----------------------------|----|---------|
| Transfer from General Fund | \$ | 930,038 |
| Total Revenue | \$ | 930,038 |

Appropriations

| | | |
|----------------------|----|---------|
| Capital Outlay | \$ | 930,038 |
| Total Appropriations | \$ | 930,038 |

CAPSAW FUND

Anticipated Revenue

| | | |
|------------------------|----|---------|
| Original Appropriation | \$ | 512,250 |
| CARES Grant | \$ | 299,670 |
| Total Revenue | \$ | 811,920 |

Appropriations

| | | |
|-----------------------|----|---------|
| General Appropriation | \$ | 811,920 |
| Total Appropriations | \$ | 811,920 |

| | | |
|--|-----------|------------------|
| GRAND TOTAL BUDGET AMENDMENT NO 2 | \$ | 2,671,996 |
|--|-----------|------------------|

CERTIFICATE

The undersigned Mayor and Clerk of the City Council of City of Waynesboro, Virginia hereby certify that the foregoing constitutes a true and correct copy of an ordinance entitled An Ordinance To Amend the Fiscal Year 2020 Budget Ordinance for the City of Waynesboro, Virginia, By Adding Budget Amendment Number One adopted by the City Council at a meeting held on _____, 2020.

Introduced: _____, 2020

Adopted: _____, 2020

Effective: _____, 2020

[SEAL]

ATTEST: _____

Clerk, City Council
City of Waynesboro, Virginia

Mayor, City Council
City of Waynesboro, Virginia



Waynesboro City Council Agenda Briefing

| | | |
|----------------------|---------------------------------------|--|
| Meeting Date: | June 8, 2020 | Staff/Council Member(s): Michael G. Hamp II, City Manager; Nicole Briggs, Clerk of the Court; Joe Harris, Sheriff |
| Agenda Item # | 5 | |
| Resolution# | | |
| Department: | Clerk of the Court and Sheriff | |
| Subject: | Courthouse Security Fee | |

Background: Virginia Code Section 53.1-120 authorizes any county or city, through its governing body, to assess a fee in each criminal or traffic case in its district and circuit courts in which the defendant is convicted of a violation of any statute or ordinance. The City currently uses this funding to finance part-time personnel in the Sheriff's Department.

Effective July 1, 2020 localities may increase this fee from \$10 to \$20. The increase will continue to help offset the cost of courthouse security that is currently being supplemented by the general fund. If at any point more funds are collected in a fiscal year than are spent in part-time personnel for the Sheriff, the City will hold these reserves in an account to be used by the Sheriff for allowable purposes.

City Manager's Recommendation: Introduce an ordinance to increase the courthouse security fee from \$10 to \$20.

Suggested Motion(s): I move to introduce the attached ordinance to increase the courthouse security fee from \$10 to \$20 effective July 1, 2020.

Attachments: Ordinance

ORDINANCE NUMBER 2020-xx



**AN ORDINANCE ASSESSING COSTS
IN EACH CRIMINAL OR TRAFFIC CASE
FOR FUNDING OF COURTHOUSE SECURITY
PURSUANT TO VIRGINIA CODE SECTION 53.1-120**

WHEREAS, Virginia Code Section 53.1-120 authorizes any county or city, through its governing body, to assess a fee in each criminal or traffic case in its district and circuit courts in which the defendant is convicted of a violation of any statute or ordinance, such fee to be remitted to the Treasurer and used for the purpose of funding the expenses of courthouse security; and

WHEREAS, in 2007 the Waynesboro City Council adopted Ordinance 2007-62, establishing a fee for courthouse security in the amount of ten dollars (\$10.00); and

WHEREAS, effective July 1, 2020, the Virginia General Assembly has amended Virginia Code Section 53.1-120 to authorize a fee of up to twenty dollars (\$20.00) for courthouse security; and

WHEREAS, the Clerk of the Circuit Court for Waynesboro, Virginia, has recommended that the courthouse security fee be increased to twenty dollars (\$20.00) as allowed by the Virginia Code; and

WHEREAS, the Council of the City of Waynesboro finds it in the best interests of the public health, safety, and welfare to act in accordance with the recommendation of the Clerk of the Circuit Court and the Acts of the General Assembly.

NOW, THEREFORE, BE IT ORDAINED, by the Council of the City of Waynesboro, Virginia:

1. A sum of \$20 shall be collected as part of the costs in each criminal or traffic case in the District Courts and Circuit Courts of the City of Waynesboro in which the defendant is convicted of a violation of any statute or ordinance, such sum to be used solely for courthouse security as authorized by Virginia Code Section 53.1-120.
2. The sum specified in paragraph 1 above shall be collected by the Clerk of the Court in which the case is heard, remitted to the City Treasurer, and held by the Treasurer subject to appropriation by the City Council to the Sheriff's office for the funding of courthouse security.
3. That this Ordinance shall become effective 10 days from the date of its passage, but in no event shall this Ordinance become effective prior to July 1, 2020.

INTRODUCED:

ADOPTED:

EFFECTIVE:

CLERK

MAYOR



Waynesboro City Council Agenda Briefing

| | | |
|----------------------|---|---|
| Meeting Date: | June 8, 2020 | Staff/Council Member(s): Michael G. Hamp II, City Manager; Gregory Hitchin, Director of Economic Development and Tourism |
| Agenda Item # | 6 | |
| Resolution# | | |
| Department: | Economic Development and Tourism | |
| Subject: | CARES Act Small Business Grants | |

Background: Small business is essential to our community and to the success of our economy. They represent steadfast commitment by owners to provide goods and services to citizens and visitors while offering vast employment opportunities. There are over 5,000 business establishments in the Staunton Waynesboro MSA, almost all of them considered a “small business” using the SBA definition of having less than 500 employees. In SAW, 86% of our businesses have 19 or fewer employees. The effect of COVID-19 closures on all businesses combined with our two largest employment sectors being hospitality / accommodation and retail have had a significant impact on our economy.

An April 2020 survey of Waynesboro businesses indicated that 63% of the respondents will face a “severe impact” due to business closures or other adjustments to their normal business operation. When asked what assistance would be helpful to the business owner, 58% responded that cash flow assistance would be most helpful.

The recently passed CARES Act of 2020 provides funding assistance to state and local governments for the direct impact of the COVID -19 pandemic. A component of the Coronavirus Relief Fund (CRF) is the “provision of grants to small businesses to reimburse the costs of business interruption caused by required closures”. Please see attached program description to implement a Waynesboro Renaissance Grant for Small Business program.

City Manager’s Recommendation: Introduce an ordinance to appropriate funds from the CARES CRF to establish a small business grant fund providing competitive grants to businesses impacted by COVID -19.

Suggested Motion(s): If it is the will of City Council, an ordinance should be introduced to appropriate funding for the Waynesboro Renaissance Small Business Grant program.

Attachments:

1. Summary of business assessment survey of April 2020
2. Waynesboro Renaissance Small Business Grant program overview
3. Sample application form

Waynesboro Business Impact Assessment – COVID-19 Survey Results Summary

BACKGROUND: In response to the COVID-19 Pandemic and State of Emergency which closed and/or restricted many businesses, the Waynesboro Economic Development Office launched a survey to assess the impacts and identify common challenges to produce a response strategy and deploy resources to address critical business needs. The survey was launched on March 27, 2020 and as of May 1, 2020 had fifty-three responses. The survey link was included in a letter sent to 1,305 business license holders, posted on the economic development website resource page, sent through e-newsletters and shared on social media, covering every industry and business size. Below is a summary of the responses.

Out of the 53 Responses:

- 15 options were given to categorize the industry of the business, Professional & Technical Services ranked highest at 28%, followed by retail at 15%. Only 7.5% of responses represent the Hospitality Industry which would include restaurants, catering, hotels, etc.
- The age of the business ranged from 11 months (Horizon Renovations) to 141 years (Fishburne Pharmacy) with the average lifespan being 20 years.
- **38% reported an annual business revenue of less than \$100k**, 36% in the \$100-\$999k range, 23% in the \$1-\$9.9M range and the remaining 3% reported \$10M+ in annual revenue.
- 26% of businesses estimated a **91-100% revenue decline** as a result of COVID-19 while only 4% reported having a 0% decline in revenue.
- Respondents were asked to identify the number of employees, both full- and part-time, prior to March 1st and also at the time which the survey was taken. The baseline average number of FTE prior to March 1st was 12 and dropped to 10 at time survey was completed. Similarly, the baseline for PTE dropped from 3 to 2.
- When asked to what level the business had been impacted by COVID-19, **63% reported severe loss** with an additional 23% reporting moderate loss. Only 14% reported minor loss to no impact and 0 businesses reported an increase in business.
- The most commonly reported type of loss was **slow/no sales, which 90% of businesses reported**. 18% of businesses also indicated they were experiencing employee absenteeism and 16% reported issues with supply chain distribution.
- When asked what steps the business had taken so far in response to COVID-19, 29% of businesses reported that they were (temporarily) closed. 38% reported that they had scaled back on hours and 34% had modified their products/services. 21% of businesses reported having already furloughed or laid off employees. **The number of employees laid off ranged from 1-30, averaging 14.**
- Businesses were asked if the current business climate were to continue, how long would it take for their business to see significant negative impacts, such as layoffs or temporary or permanent closure. 28% reported that layoffs or closures have already occurred while 18% noted that they did not anticipate layoffs or closure. The remaining businesses responded that they would see **significant negative impacts anywhere between 1 week – 6 months.**
- When asked what assistance would be helpful to the business owner, **58% responded that cash flow assistance** would be most helpful. Information about finance options was selected by 34% and assistance for laid off employees was noted by 24% of respondents. Only 4% (5 businesses) noted supply chain assistance as being important.
- 13 businesses noted having applied for either EIDL, PPP or both but 0 businesses reported having actually receiving those funds at the time of survey completion.
- 15 businesses reported that they did not have business insurance and 15 businesses reported that they did have business insurance. Of those businesses who do have insurance, all 15 reported that the **insurance does not cover loss of income in a pandemic situation.**

301 West Main Street
Waynesboro, VA 22980
540.942.6570
WaynesboroBusiness.com



RENAISSANCE FUND

Cash Grants for Businesses Suffering Loss due to COVID-19

Waynesboro small business is the lifeblood of our community and backbone of the economy. They represent steadfast commitment by owners to provide goods and services to citizens and visitors while offering vast employment opportunities. However, the ongoing COVID-19 outbreak has forced widespread closures of small businesses threatening livelihoods, acute job losses, and imperiling the future of our local economy.

FUNDING SOURCE

The U.S. Treasury guidance allows states to use Coronavirus Relief Fund (CRF) dollars for expenditures "related to the provision of grants to small businesses to reimburse the costs of business interruption caused by required closure." The Commonwealth of Virginia has elected to disperse a portion of its allocation to local governments. The Waynesboro City Council has elected to use part of the City's allocation to help preserve small business in Waynesboro by providing grants to eligible businesses.

The **RENAISSANCE FUND** will provide up to \$10,000 cash grants.

WHO IS ELIGIBLE TO APPLY?

Any for-profit Waynesboro based business that meets the following eligibility criteria:

- Has suffered a qualified business interruption due to COVID-19
- Has a physical location within the corporate limits of Waynesboro
- Taxes and fees to City of Waynesboro current
- Locally owned and operated
- Had between one and 20 (Full Time Equivalent*) W2 employees as of March 13, 2020
- Did not receive or been approved for an SBA-backed Paycheck Protection Program (PPP) loan or an Economic Injury Disaster Loan. Recipients of the EIDL Grant are eligible
- Did not receive and have not been awarded reimbursement under any other federal program for the expenses that will be reimbursed by this grant
- Did not receive compensation from an insurance company for the covered business interruption due to COVID-19 or received less than \$10,000 in insurance compensation
- Your business is not a subsidiary of a business with more than 50 employees, is not part of a larger business enterprise with more than 50 employees and is not owned by a business with more than 50 employees

WHAT IS A QUALIFIED BUSINESS INTERRUPTION?

The business must have suffered business interruption due to COVID-19 required closures as measured by a reduction in gross revenue (YTD 2020/2019), which may include but is not limited to:

- Reduced sales or suspended operations
- Increased costs related to COVID-19 prevention measures
- Disrupted supply network leading to shortage of critical inventory or materials

WHAT ARE ELIGIBLE USES OF THE GRANT?

Grant funds may be used to reimburse the costs of business interruption caused by required closures which may include:

- Personal Protective Equipment (PPE)
- Other equipment and supplies to promote health and safety
- Technology to facilitate e-commerce and or virtual business operations
- Professional services related to the design and construction/alteration of the built environment necessary to promote physical and social distancing, as well as the actual costs for alterations
- Initial cleaning and disinfection services prior to reopening
- Inventory
- Equipment
- Rent or mortgage costs
- Utilities (Gas, Electric, Communication)
- Funds must be expended in compliance with state and federal law

HOW DO I APPLY?

The application form will be available June 10, 2020 at <http://www.waynesborobusiness.com/relief/>. The deadline for submission is 9 am June 22, 2020. Grantees will be notified by noon on June 30, 2020 with disbursements beginning as soon as practical. All applications and required attachments must be done electronically.

WHO CAN I CONTACT FOR MORE INFORMATION?

Waynesboro Office of Economic Development and Tourism

www.WaynesboroBusiness.com

staff@WaynesboroBusiness.com

540-942-6570

*Full Time Equivalent (FTE) – the number of employees required to achieve one week (40 hours) of work. For example, one full time (40 hours) employee and two part time (20 hours each) employees would be 2FTE.

WAYNESBORO RENAISSANCE FUND
Cash Grants for Small Business

APPLICATION FORM

Introduction paragraph

Application process:

- Applications are due no later than 9 am, Monday June 22, 2020
- Only electronically submitted applications will be accepted
- Incomplete applications will be rejected
- Should the application pool be larger than the grant funds available, the Waynesboro Economic Development Authority Loan Committee will score applications based on the severity of impact that COVID-19 has had on your business
- Grantees will be notified of grant awards no later than June 30, 2020
- Grantees will be required to furnish additional information, including, but not necessarily limited to a W9 and certify that the funds will be used as described in the application
- In lieu of a notary, business owners will be required to furnish a copy of their driver's license
- Disbursement checks will be mailed as soon as practical
- Grantees will be reported to the U.S. Treasury department as part of the City of Waynesboro required report and any other public document as may be required by the CARES act. Information provided, except for confidential financial statements as allowed by Sections 2.2-3705.6 and 58.1-3 of the Code of Virginia are subject to Freedom of Information Act (FOIA) regulations.

WHO IS ELIGIBLE TO APPLY?

Any for-profit Waynesboro based business that meets the following eligibility criteria:

- Have suffered a qualified business interruption due to COVID-19
- Has a physical location within the corporate limits of Waynesboro
- Taxes and fees to City of Waynesboro current
- Locally owned and operated
- Had between one and twenty (Full Time Equivalent*) W2 employees as of March 13, 2020
- Did not receive or been approved for an SBA-backed Paycheck Protection Program (PPP) loan or an Economic Injury Disaster Loan. Recipients of the EIDL Grant are eligible
- Did not receive and have not been awarded reimbursement under any other federal program for the expenses that will be reimbursed by this grant
- Did not receive compensation from an insurance company for the covered business interruption due to COVID-19 or received less than \$10,000 in insurance compensation
- Your business is not a subsidiary of a business with more than 50 employees, is not part of a larger business enterprise with more than 50 employees and is not owned by a business with more than 50 employees

WAYNESBORO RENAISSANCE FUND
Cash Grants for Small Business

will be formatted to a word and pdf form

Section 1 – Basic Business Information

1. Business Trade name, address
2. Full legal name of business if different
3. Owner name, phone, email
4. Mailing address if different
5. Communication preference
 - a. Email
 - b. Mail
 - c. Phone
 - d. Text
6. FEIN number
7. Waynesboro Business License number
8. Is your business located within the City limits of Waynesboro?
9. Is your business locally owned and operated?
10. When was your business established?
11. How long have you been the owner?
12. Is your business SWAM certified?
13. How is your business organized?
 - a. Sole proprietorship
 - b. Partnership
 - c. C-Corp
 - d. S-Corp
 - e. LLC
 - f. Other
14. What is your NACIS code? ([link to codes](#))
15. Are your City of Waynesboro taxes and fees current?
16. Is the provided business address a physical location that receives customers?
17. If your business is in leased space, on what date does the current lease expire?
18. What is the gross square footage of your location?

Section 2 – Business Eligibility

19. How many W2 employees do you currently have?
 - a. Full time
 - b. Part time (30 hours per week or less)
20. How many W2 employees did you have on March 1, 2020
 - a. Full time
 - b. Part time
21. If you have not done so already, what are your plans for hiring or recalling employees from furlough?
22. How was your business impacted by COVID-19?

WAYNESBORO RENAISSANCE FUND
Cash Grants for Small Business

23. How did you adapt your business practice during the state of emergency/stay at home order?
24. Is your business open now?
 - a. If no, what are your plans for reopening?
25. What was your YTD January – May Gross Revenue in 2019?
26. What is your YTD January – May Gross Revenue in 2020?
27. Is your business currently in bankruptcy proceedings?
28. Did you receive or have you been approved to receive a PPP or EIDL loan or EIDL grant?
29. If yes, please provide detail
 - a. Have you received the disbursement?
 - b. Which programs
 - i. PPP forgivable loan / \$ amount
 - ii. PPP loan / \$ amount
 - iii. EIDL grant / \$ amount
 - iv. EIDL loan / \$ amount
30. Have you been awarded reimbursement under any other federal program for the expenses that will be reimbursed by this grant?
 - a. If yes, please describe including dollar amount:
31. Have you received compensation from an insurance company for the covered business interruption due to COVID-19?
 - a. If yes, please describe including dollar amount:
32. Have you received any other local grants or loans (EDA, SCCF, Community Foundation, etc)?

Section 3 – Use of Funds

Renaissance Funds must be used to reimburse the costs of business interruption caused by required closure and/or costs related to reopen. Acceptable uses of grant funds include:

- Personal Protective Equipment (PPE)
- Other equipment and supplies to promote health and safety
- Technology to facilitate e-commerce and or virtual business operations
- Professional services related to the design and construction/alteration of the built environment necessary to promote physical and social distancing, as well as the actual costs for alterations
- Initial cleaning and disinfection services prior to reopening
- Inventory
- Equipment
- Rent or mortgage costs
- Utilities (Gas, Electric, Communication)

33. Please provide a line item list including dollar amount of how you will use the grant if awarded.

Signature block

WAYNESBORO RENAISSANCE FUND
Cash Grants for Small Business

*Full Time Equivalent (FTE) – the number of employees required to achieve one week (40 hours) of work. For example, one full time (40 hours) employee and two part time (20 hours each) employees would be 2FTE.

DRAFT

ORDINANCE NUMBER 2020-



AN ORDINANCE APPROPRIATING FUNDS FROM THE CARES ACT IN THE AMOUNT OF \$100,000 TO THE GENERAL FUND, FOR AN ECONOMIC DEVELOPMENT BUSINESS GRANT PROGRAM, FOR THE FISCAL YEAR ENDING JUNE 30, 2021, AS HEREIN SPECIFIED

BE IT ORDAINED, by the Council of the City of Waynesboro, Virginia:

That the following sums of money be and the same are hereby appropriated as herein specified for the year ending June 30, 2021, totaling \$100,000.

Section I – General Fund

Paragraph 1. To the General Fund, for an Economic Development Business Grant Program, \$100,000 is appropriated to be apportioned as follows:

| | | |
|---------|---|-----------|
| 1108152 | Economic Dev Support 758069-COVID Project Grants | \$100,000 |
|---------|---|-----------|

Paragraph 2. The above appropriation will be provided for by the following revenue:

| | | |
|---------|---|-----------|
| 1100541 | Intrafund Transfer 541904 From FB (110-444000) | \$100,000 |
|---------|---|-----------|

INTRODUCED:

ADOPTED:

EFFECTIVE:

CLERK

MAYOR