

**MEMORANDUM OF AGREEMENT BETWEEN THE
ECONOMIC DEVELOPMENT AUTHORITY OF LOUDOUN
COUNTY, VIRGINIA AND THE TOWN OF PURCELLVILLE,
VIRGINIA FOR ECONOMIC RELIEF FUND**

This Memorandum of Agreement (MOA) is made and entered into this 25th day of June 2020, by and between the ECONOMIC DEVELOPMENT AUTHORITY OF LOUDOUN COUNTY, VIRGINIA (“EDA”), a political subdivision created pursuant to Chapter 49 of Title 15.2 of Code of Virginia of 1950, as amended, and the TOWN OF PURCELLVILLE, VIRGINIA (“Town”), a municipal corporation located within the County of Loudoun (the “County”). The EDA and the Town are referred to herein as “the Parties” to this MOA.

WHEREAS the Parties acknowledge that Executive Orders issued by Governor Ralph Northam in an effort to slow the spread of the Novel Coronavirus (“COVID-19”), including but not limited to the Temporary Stay at Home Order, have had an adverse impact on businesses and economic activity throughout the County, including within the Town;

WHEREAS pursuant to Virginia Code § 15.2-4905(13), the EDA is authorized to make grants to persons or entities for the purpose of promoting economic development in Loudoun County;

WHEREAS by letter dated May 20, 2020, the County notified the Town that it would be eligible to receive approximately \$891,932.00 as a distribution of funds from the Coronavirus Aid, Relief, And Economic Security ("CARES") Act; and

WHEREAS the Town desires to use a portion of its CARES Act distribution to provide economic relief to Town businesses affected by COVID-19; by letter dated May 26, 2020, the County’s Department of Economic Development notified the Town that the EDA could assist with the distribution of economic relief grants to Town businesses; and

NOW, THEREFORE, in consideration of the foregoing recitals, which are incorporated by reference, and the mutual promises and considerations set forth herein, the Parties agree as follows:

1. In accordance with the terms and conditions set forth herein, the Town and the EDA shall work cooperatively to administer an economic relief grant for Town business, which shall be known as Business Interruption Funding Stimulus and Relief Grants (the “Fund”).

2. The Town will appropriate the sum of \$474,632.00 from its CARES Act distribution to the EDA, and such amount shall constitute the sole funding source for the Fund.

3. The Town hereby acknowledges and agrees that its use of CARES Act funding for this purpose is subject to the terms and conditions stated in the Certification for Receipt of Coronavirus Relief Fund Payments (the “Certificate”) executed by the Town as a condition of receiving its CARES Act distribution from the County, which Certificate incorporates the official federal guidance governing the use of CARES ACT funds.

4. Screening and identification of Town business eligible to receive grants from the Fund, and the amount of each grant, shall be determined by the Town in accordance with objective criteria developed by the Town as outlined in Exhibit 1, the terms and conditions of the Certificate, and the spending plan approved by the County as a condition of the Town’s receipt of its CARES Act distribution.

5. Upon completion of the screening process described in Paragraph 4, the Town shall provide the following information to the EDA:

- a. The name of each grant recipient and the amount of each grant;
- b. A completed form W9 and ACH form from each grant recipient; and

- c. Any other information reasonably requested by the EDA's accounting and support staff in order to administer grant payments.

Collection of the information outlined in this Paragraph 5 shall be the sole responsibility of the Town.

6. The Town shall transfer to the EDA the sum of \$474,632.00, to be distributed in accordance with the terms and conditions of this MOA. The funds shall be transferred from the Town in accordance with wire instructions to be provided by the EDA.

7. Upon receipt of the information and documents identified in Paragraph 5 and the funds identified in Paragraph 6, the EDA will distribute Fund grants to the recipients and in the amounts identified by the Town.

8. By executing this MOA, the Town represents, warrants and agrees as follows:

- a. The County has approved a CARES Act spending plan for the Town, which includes \$474,632.00 to be used for the Fund;
- b. The Town is solely responsible for screening and identifying grant recipients and ensuring that all grants funded by the Town's CARES Act distribution satisfy the criteria, terms and conditions referenced in Paragraph 4.
- c. In the event the County, the Commonwealth of Virginia or the United States Government determine that use of the Town's CARES Act distribution for the Fund or for any grant(s) made through the Fund violates the CARES Act, the Town shall be solely responsible for repayment to the County of any impermissibly expended funds, in accordance with the terms and conditions of the Certificate.
- d. So long as the EDA complies with its obligations under this MOA regarding payment of Fund grants to recipients identified by the Town, the Town hereby waives any claim against the EDA for return or repayment of any grant(s) that are found to violate the CARES Act.
- e. So long as the EDA complies with its obligations under this MOA regarding payment of Fund grants to recipients identified by the Town, and in the event of a legal action by any person or entity challenging the administration of the Fund pursuant to this Agreement, the Town shall assume primary responsibility for defending such legal action and the EDA shall cooperate with the Town's

efforts to the extent necessary.

9. Upon payment of Fund grants, the EDA shall forward to the Town a copy of all payment records and any other records reasonably requested by the Town concerning the EDA's administration and distribution of the Fund. The Town Council intends that such data shall be included in its spending plan and documentation submitted to the County in accordance with the Certificate. The Town shall be solely responsible for maintaining all records related to the screening and identification of grant recipients, and any other documentation necessary to satisfy its recordkeeping and reporting requirements under the Certificate.

10. This MOA shall remain in effect until the distribution of the Fund is complete. However, the Parties may agree to extend the MOA in the event they determine that additional economic relief for Town businesses is necessary and appropriate due to the ongoing effects of COVID-19. Any such extension (including funding and distribution arrangements for the same) shall be approved by appropriate action of Town Council and the EDA.

11. For purposes of communication between the EDA and the Town with regard to the administration of this MOA, the respective contact persons are as follows:

Town of Purcellville:	David A. Mekarski, AICP Town Manager Town of Purcellville 221 S. Nursery Avenue Purcellville, VA 20132 540-751-2316 dmekarski@purcellvilleva.gov
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With copy to:	Hooper McCann Director of Administration Town of Purcellville 221 S. Nursery Avenue Purcellville, VA 20132
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540-751-2312
hmccann@purcellvilleva.gov

EDA: Elaine Crawford, EDA Accountant
c/o Loudoun County Department of
Finance & Budget
1 Harrison Street, SE (4th Floor) MSC 41
Leesburg, Virginia 20175
571-258-3599
elaine.crawford@loudoun.gov

With copy to: Courtney R. Sydnor, EDA Counsel
Office of County Attorney
1 Harrison Street, SE (5th Floor) MSC 06
PO Box 7000
Leesburg, Virginia 20177-7000
703-771-5055
courtney.sydnor@loudoun.gov

12. This MOA may be terminated by either the EDA or the Town, upon written notice to the other Party, which shall be effective when the non-terminating party actually receives the written notice of termination. Upon termination, the EDA shall promptly return to the Town any monies from the Fund that have not been distributed to grant recipients along with any records described in Paragraph 9, as applicable.

ECONOMIC DEVELOPMENT
AUTHORITY OF LOUDOUN
COUNTY, VIRGINIA

TOWN OF PURCELLVILLE, VIRGINIA

Name: _____

Title: _____

Date: _____

Name: David A. Mekarski, AICP

Title: Town Manager

Date: June 25, 2020

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ECONOMIC DEVELOPMENT AUTHORITY OF LOUDOUN COUNTY, VIRGINIA
AND THE TOWN OF PURCELLVILLE, VIRGINIA FOR ECONOMIC RELIEF
FUND

EXHIBIT 1

PURCELLVILLE BUSINESS INTERRUPTION GRANTS

A total of \$474,632, provided through the CARES Act, has been dedicated to fund Purcellville Business Interruption Grants. Grants from the fund shall be awarded on the basis of the following criteria:

- A.** The timely submission of an application, completed in its entirety with supporting documentation, and acceptance of all terms and conditions. Terms and conditions will include post-award spending compliance reporting. A completed W-9 form and financial documentation, certifying revenue and projected impact related to COVID-19, will be required.
 - Town businesses previously certified by Loudoun County, that competed in the random drawings for the COVID-19 Business Interruption Fund grants and did not receive an award, will only need to inform the Town of their interest and reaffirm their initial application to the County. The submission of a new application will not be necessary.
- B.** Business must be current on all Town taxes, licenses, and permits as of the submission date of the grant application.
- C.** For-profit business only, operating within the Town of Purcellville before March 1, 2020.
 - Businesses that have not been operational for a full year must have documented costs of business interruption caused by COVID-19 related closure as a “non-essential” business under Governor Northam’s Executive Order 53, or may show a minimum of a 25% loss compared to their estimated business revenue.
- D.** Business may have a maximum of fifty (50) hourly or salaried (subject to payroll tax code rules) employees.
- E.** Business must operate from physical location within the Town of Purcellville, as reported on the Town business license. Documented cost of business interruption or reported loss of revenue, caused by COVID-19, must be related only to the location within the Town of Purcellville. Home-based businesses, with a residential address within the Town of Purcellville, are eligible to apply.

- F. Annual gross receipts of less than \$2.5 million in gross annual receipts for the 2018 and 2019 fiscal years.
- G. Must demonstrate a minimum of a 25% loss in revenue that can be attributed to COVID-19, based upon fiscal year 2019 gross reported revenue and/or document costs of business interruption caused by COVID-19 related closure as a “non-essential” business under Governor Northam’s Executive Order 53.
- H. Grant Categories:
- **Modifications to Allow Outdoor Service** - assistance with qualified expenses, for food establishments, related to modifications for outdoor seating to allow outdoor service while ensuring adherence to physical distancing guidelines, as defined in the State of Virginia Phase 2 and Phase 3 opening guidelines
 - up to an \$8,000 grant; based upon eligibility, as defined in sections A-G and the submission of qualified expenses
 - approximately five (5) to ten (10) grants available
 - businesses receiving the outdoor seating grant are ineligible to apply for any other Town of Purcellville Business Interruption grant
 - **Businesses with annual gross receipts less than \$100,000**
 - up to \$2,500 grant; based upon eligibility, as defined in sections A-G
 - approximately sixty (60) grants available
 - **Businesses with annual gross receipts more than \$100,000 and less than \$500,000**
 - up to a \$3,000 grant; based upon eligibility, as defined in sections A-G
 - approximately forty-five (45) grants available
 - **Businesses with annual gross receipts more than \$500,000 and less than \$2,500,000**
 - up to a \$3,500 grant; based upon eligibility, as defined in sections A-G
 - approximately thirty-five (35) grants available
- If the number of qualified applicants, for any category, exceeds the number of grants available, grants within that category will be awarded by lottery.
- I. Priority will be given to those businesses which have not received financial support from Loudoun County’s Business Interruption Fund.
- J. Grant amount will not exceed documented costs of business interruption caused by COVID-19 required closures.
- K. A business may receive only one (1) Town of Purcellville Business Interruption Grant.
- L. A second round of grants may be implemented if all business interruption funding is not allocated in the initial grant process.