



April 6, 2021

Arlington County Board
2100 Clarendon Boulevard, Suite 300
Arlington, VA 22201

Dear Chair de Ferranti,

The Arlington Chamber of Commerce encourages Arlington County to establish a new direct financial grant program for local businesses with the portion of its coronavirus response funding that it will target for business support. Arlington was successful with the GRANT program last year, and the American Rescue Plan gives localities a new opportunity to support businesses that have been impacted by the pandemic. Industries that did not receive targeted assistance in the American Rescue Plan have a particular need for funding, and we would support their prioritization in such a local program.

Businesses continue to cite access to capital for pandemic-response activities as their greatest need, and direct grants are the most flexible way to help them meet it. Capital grants provide the greatest benefit from among business support options because they allow businesses to invest in what they each individually need to retain or restore jobs. Arlington's businesses can apply grant funding directly to meeting payroll or for investments that will provide a safe environment that supports their customers and employees. An optimal grant program will be broad enough to cover the diverse needs of Arlington's entire business sector. This letter cites some examples of how businesses in critical and hard-hit industries in Arlington could apply grant funding to preserve operations and jobs.

Direct financial grants will be an important bridge to ensure the financial sustainability of Arlington's hotels. Our neighbors in the District of Columbia and Montgomery County, Maryland, have successfully implemented hotel grant programs. Grant funding will allow Arlington's hotels to meet their payroll and operating costs through the continuing period of reduced occupancy, preserving jobs that currently exist and maintaining Arlington's hotels' capacity to hire as demand and room occupancy increase.

Art and entertainment venues require adjustments and often new technology to welcome patrons safely. For example, at least one venue is planning to invest in paperless ticketing to reduce physical contact between patrons and staff when live events resume. Grants can cover the upfront cost of this investment to allow for a more rapid reopening, returning idled workers to their jobs at the venue, and restoring related activity such as arts patrons dining at nearby restaurants before or after attending shows.

Fitness facilities are investing in additional live, outdoor, and virtual programming technology to supplement their traditional offerings. This added programming will give Arlingtonians more options for being active and maintaining their overall health. Fitness providers can apply grant funds to these programs, which will also help restore the more than 30% of fitness jobs eliminated due to the pandemic.

Direct grants would give businesses the flexibility to help them respond to the pandemic, preserve or restore jobs lost, and maintain their businesses until the economic recovery is complete. For this reason, grants are the most impactful business support option available, and so we encourage Arlington to apply its business-focused coronavirus funding to a direct grant program. We thank you for your consideration of these comments.

Sincerely,

A handwritten signature in black ink that reads "Kate Bates". The signature is written in a cursive, flowing style.

Kate Bates
President & CEO

CC: Arlington County Board Vice Chair Katie Cristol, and members Christian Dorsey, Libby Garvey, and Takis Karantonis; County Manager Mark Schwartz; Deputy County Manager Shannon Flanagan Watson, CFO Maria Meredith and Budget Director Richard Stephenson, Department of Management and Finance; Director Telly Tucker and BizLaunch Director Tara Palacios, Arlington Economic Development