Meaningful municipal support during COVID-19

A case study with the Loudoun County Economic Development Department

About 25 miles west of Washington, D.C., Loudoun County, VA, encompasses about 520 square miles of Northern Virginia. The county has two main economic drivers: Eastern Loudoun County is very much urban and tech-based, home to the world's largest concentration of data centers, and western Loudoun is primarily rural and agricultural based, growing the most grapes and hops in the Commonwealth of Virginia and welcoming visitors to over 40 wineries.

"We consider ourselves a full service economic development department with small business and entrepreneurship, retention, real estate, and process development services," shares Colleen Kardasz, assistant director of the county economic development department. "We want to make sure the ecosystem in which our businesses exist has everything that's needed. We also promote our businesses to the community and the world."

Early planning, and pivoting

Prior to the COVID pandemic, the only financial programs managed by the economic development department were community and rural incentive programs -- basically cash to attract and retain business -- and those were mainly managed through legal documents.

"Pre-COVID I was reviewing our processes and thinking that the way we were doing these programs was a pain ... not to mention a liability," says Kardasz. "If all these documents are only in people's emails from the past 15 years, what do we do if those staff members leave?"

Kardasz began considering a technology solution to better manage these processes, but mere weeks later COVID entered -- and changed -- the discussion.

"I remember very clearly in January 2020 it was clear this virus was going to be a thing and the writing was on the wall that businesses were going to be impacted. And the first thing we decided to switch our focus to was how are we going to help."

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Knowing most small businesses don't have months and months of cash flow on hand, the economic development team decided to start there. With no Federal stimulus yet announced, the team began looking at their own budget and resources.

"We knew the most we could do was a band aid, but it was a start," says Kardasz. "We wanted to offer them 30 days of cash to cover something - rent, paychecks, etc. We sat down and storyboarded out a potential grant and executed it within a few weeks totally manually using Word docs and shared files."

With that first program, Loudoun County granted out $1.25 million using their own staff of 25, 50 volunteers, and a thrown-together process.

"It was super painful," says Kardasz. "There was lots of stress to make sure people didn't delete files or move folders. We were just trying to make it work. I don't recommend it in any way, shape or form. But we did it."

Federal funds and an advanced approach

Almost immediately after the self-funded grant program awards went out, Loudoun County was notified that they would be getting CARES Act funds that would allow for additional grants.
"At that point, we went looking for a grants management system — in that original round we had realized very, very quickly that we needed to be more efficient and we needed to be more nimble and that the chances were that this was going to be a long term program for our department as our priorities continue to shift. And if we are given taxpayer money, we need to be good stewards of it. We needed to automate; that was mission critical."

Kardasz reached out to her team to see if anyone had experience with grantmaking from previous roles, and a staffer who had worked in education grants rose to the occasion. After doing some quick research, she came back to Kardasz with a list of three vendors she felt would be able to make huge improvements for the next grants cycle.

"We had two weeks to pull this off," says Kardasz. "A full build. And we needed the budget to be low enough to avoid procurement. I will always remember that first conversation with WizeHive because the answer to every question and issue I raised was always "Absolutely, yes.""

After a demo and further discussion, it became clear to Kardasz that Zengine was a platform that would make their grants better - and that WizeHive was a partner that would make them a success.

"We knew we didn't know enough about launching programs quickly to not have someone who could help. We needed a partner," she says. "There was never a moment that we reached out to WizeHive for support and didn't get an immediate response.You can work with tech companies who give you a product, but then it stops there. But WizeHive wanted to know when we would be launching the grant so someone would be on call in the moment to help as needed. There was never a moment we were without support. Always quickly, efficiently, and compassionately. It speaks volumes about this company."

For Kardasz, it was important that the software they invest in not only be able to meet their timeline and budget, but enable their team to manage the grant program cleanly and with care.

"We didn't want to outsource this - that never made sense," she says. "These are our businesses, our neighbors. It was important to us that they talk to a person here. And Zengine and WizeHive made that possible. We couldn't have managed that much data over that much time without it being in such an easy-to-use format. Our staff could see every time a business applied, who talked to them on our staff, all the notes about their situation. It gave the board and county staff peace of mind to pull reports quickly and know how many applications were complete, how many were pending. With so much uncertainty going on in the world, to have a system that gave us calm and certainty was such a breath of fresh air during a very, very worrisome period."

After multiple rounds of funding, the Loudoun County Economic Development team was able to distribute $12 million in grants to around 2000 local businesses.

"From April to December, we used Zengine to get as much money as possible into our small businesses' hands and save as many as possible."

Post-pandemic planning and learning

COVID restrictions are now ending, but small businesses are still recovering and the Loudoun County team is still using this experience to learn and plan for whatever lies ahead, and they are still using Zengine to do it.

"We are capturing a lot of feedback now," says Kardasz. "Using all the data we collected from the grant applications, we're doing things like pulling a report for the retention team on who has leases expiring in 2021 to go out and have better conversations with those businesses to see what they are up against. Zengine is helping us understand what recovery looks like.

"2020 was crisis management: How do we keep them afloat? 2021 is recovery. And the reality is recovery takes 18-months to two years from when you say the crisis is over, which hasn't really happened yet. We are lucky to have all this data to try and identify and see what's next. Is it operation expenses? Changing business models? To know we have this platform that we can look back at and build on -- I know that will help us know our businesses better."

Learn more about the Zengine grants management system at wizehive.com.

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