

Baltimore Restaurant Assistance Grant

Terms & Conditions

Grant Funding

Total Availability

Baltimore City will award up to \$6,500,000 in total grant funds to Restaurants under this program. Grant funds have been made available by the State of Maryland, and are restricted to COVID-related expenses incurred, or to be incurred, by qualifying grantees. A business is categorized as a "restaurant" if it is primarily a food establishment with food revenue in excess of 50% of total gross revenue.

Application Period

The grant application period will begin on November 12, 2020 and end on November 24, 2020 at 11:59PM. Grants **WILL NOT BE AWARDED ON A FIRST-COME FIRST-SERVED BASIS**. All applications received during the grant application period will be considered. Any applications received after the end date will not be considered.

Maximum Grant Amount

The maximum grant amount is \$50,000.

Eligible Businesses

A business is eligible for this grant if it meets **ALL** of the following requirements:

1. The business is a Restaurant located in Baltimore City.
 - a. Business must have a permanent physical location and have provided indoor seating for patrons prior to COVID-19.
 - b. Preference will be given to Restaurants that do not have a drive-through window.
2. Business must have been operating in 2019 and submitted 2019 Federal Tax Returns.
3. Business must be in good standing with the State of Maryland.
4. Business must be open and operating at the time of application for this Grant.
 - a. Restaurants only offering curbside or carryout service at this time **are eligible**.
5. Businesses that previously applied for, or received, a grant from this program **are eligible** to apply.
6. Unlike prior BDC grants, there is **no gross revenue limit** for restaurants to qualify for this grant. Businesses of all sizes may apply.



Businesses where the owner does not have a Social Security Number

Businesses with owners that do not have a Social Security Number but does have an ITIN number are eligible. BDC does not require the submission of Social Security or ITIN numbers in this application, except insofar as that information is included in the tax returns for the businesses.

Businesses with Common Ownership and/or Multiple Locations

Businesses with common ownership or multiple locations in the city are eligible, but each location must individually meet all grant requirements to be eligible for grant funding.

The maximum grant for businesses with common ownership or multiple locations is \$50,000 for one location, plus \$10,000 for each additional qualifying location.

For example: The multiple locations restrictions would apply to a restaurant group (common owner) that may own or operate four distinct restaurants, each its own legal entity with separate accounting and hiring. Each of those four restaurants may be individually eligible, but if all four were selected for a grant, the maximum grant amount to that restaurant group would be \$80,000 (\$50,000 for one restaurant, and \$10,000 each for the other three).

Selection Criteria

This is a discretionary grant program. All applications will be evaluated based on the criteria set forth below.

Business is locally owned

Priority will be given to business that are owned by permanent residents of Baltimore City.

Minority and Women-owned Businesses

Grant preference will be given to businesses that are minority- and/or women-owned. Businesses **do not** need to be certified by the City or State as a MBE/WBE/DBE to qualify.

Significant loss of revenue

Preference will be given to businesses who have suffered a significant loss in revenue that has not been offset by other grant or assistance programs. Businesses must be able to calculate and demonstrate a significant loss of revenue to their business.



Geographic Distribution

During the selection process, BDC will seek to award grants to restaurants located throughout Baltimore City, with an expressed goal of providing grants in neighborhoods with a low concentration of sit-down restaurants, where the permanent closure of a restaurant would have a detrimental effect on the surrounding community.

In neighborhoods with high concentrations of restaurants, grant priority will be based on each applicant's ability to meet the selection criteria outlined above.

Calculation of Grant Award Amount

Maximum grant amount of up to \$50,000 per business.

Grant award amount will be an award of \$1,500 per employee calculated based on the information reported on IRS Form 941 for the quarter ending December 31, 2019.

BDC may increase or decrease the calculation of the grant award based on the availability of funds and the number of applications received.

Payment of Grant Award

Grant Agreement

If awarded, Grantees will be required to sign a grant agreement that outlines the total amount of award, terms and conditions of the grant.

Payment

BDC will make one payment for the total grant award within 14 days of all parties executing the grant agreement.

Commitment to Reopen

Businesses must remain open to the public for at least 6 months following the receipt of this grant award.



Baltimore
Development Corporation

Qualifying Expenses

This funding for this grant has been provided to BDC for the purposes of helping businesses meet COVID-related expenses. For the purposes of this grant, qualifying COVID-related expenses are the following expenses that occurred beginning February 15, 2020 through December 31, 2020, which coincides with government-imposed closure or capacity limits affecting the business's ability to generate revenue:

1. Working capital, such as rent, payroll, and job training
2. Purchase of equipment and services to expand outdoor dining, such as tents, heaters, warmers, and carts
3. Infrastructure improvements, such as HVAC system upgrades
4. Technology to support carryout and delivery
5. Purchase of PPE and disposable food containers and utensils
6. Sanitization services

Documentation of Expenses Required After Grant Award

All qualifying expenses must have supporting documentation which must be provided to BDC no later than April 1, 2021. Documentation must demonstrate that actual expenses incurred meet or exceed the total amount awarded under this grant.

Penalty for Unauthorized Use of Funds

Businesses must provide adequate documentation of expenses related to their grant amount or may be subject to a recapture of grant funds. Any grant funds for which there is not adequately documentation must be returned to the Grantor, plus an additional 15% penalty.



Required Documents for upload into the City Grant Application

Tax Returns

1. 2019 Business Tax Return with All Schedules.
 - a. If an extension has been filed with the IRS, 2018 Tax Returns, evidence of extension filing, and a 2019 Profit & Loss Statement will be acceptable.
 - b. If Gross Revenue, and Net Income are identifiable from the Tax Returns, a Profit and Loss Statement must be provided.
2. IRS Form 941 (Quarterly Employment Tax Filing) for the Quarter Ending December 31, 2019.
3. IRS Form 941 (Quarterly Employment Tax Filing) for the Quarter Ending September 30, 2020.

BDC will use this information to verify gross income eligibility, legal business entity, good standing with the State of Maryland, and to calculate grant size.

Additional Documentation

Profit and Loss Statement from January 1, 2020 through September 30, 2020 that identifies gross business income, business expenses, and net business income.

Financial statement does not need to be an officially prepared or audited document.

BDC will use this information to verify revenue loss.

Government-Issued Identification

Government-issued ID that shows the residential address of applicant, who must be an owner, partner, or managing member of the business and authorized to submit the grant application on behalf of the businesses.

If ID does NOT show residential address, alternate government issued ID (e.g. Passport) may be provided along with any two additional documents that include the applicant's residential address:

1. Residential Gas & Electric Bill
2. Residential Water & Sewer Bill
3. Residential Cable/Internet or Phone Bill
4. Mortgage Statement or Residential Lease

For Payment of Grant Proceeds

Completed IRS Form W-9.

