



Small Business Assistance Fund Grant Terms & Conditions

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Grant Funding

Total Availability

Baltimore City will award up to \$3,500,000 in total grant funds under this program. A portion of these funds will be awarded to businesses that are not eligible for SBA loans like the Emergency Impact Disaster Loan (EIDL) or Paycheck Protection Program (PPP).

Application Period

The Grant Application Period will begin on May 4, 2020 and end on May 15, 2020 at 11:59PM. Grants **WILL NOT BE AWARDED ON A FIRST-COME FIRST-SERVE 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 \$15,000.

Distribution of funds – Geographic Limitation

At least 75% of the total grant funds will be awarded to businesses that are located in the following: Current and Former Baltimore City Main Streets; Current and Former Baltimore City Retail Business District License (RBDL) areas; Designated Arts & Entertainment Districts; areas within a 2-block radius of Baltimore City Public Markets.

A specific list of these specific commercial districts are:

Current Baltimore City Main Streets

- Belair-Edison Main Street
- Fells Point Main Street
- Hamilton-Lauraville Main Street
- Highlandtown Main Street
- Historic Federal Hill Main Street
- Pennsylvania Avenue Main Street
- Pigtown Main Street
- Waverly Main Street

Former Baltimore City Main Streets

- Brooklyn Main Street
- East Monument Street Main Street
- Hampden Main Street



Current Retail Business District License Areas

- Oldtown Mall
- Market Center
- Pimlico
- Monument Street
- Highlandtown
- Hamilton
- Federal Hill Market Place
- Pennsylvania Avenue/Lafayette Market
- Mount Washington

Former Retail Business District License Areas

- York Road

Arts & Entertainment (A&E) Districts

- Bromo A&E District
- Highlandtown A&E District
- Pennsylvania Ave. Black Arts District
- Station North A&E District

Baltimore Public Markets

- Avenue Market
- Broadway Market
- Cross Street Market
- Hollins Market
- Lexington Market
- Northeast Market

Up to 25% of the total grant funds will be made available to businesses located outside of those designated areas.



Eligible Businesses

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

1. The business is located in Baltimore City
2. The business may not be a franchise of a business with locations outside of Maryland (no national chains will be eligible for this grant)
3. Annual Gross Revenue of the business may not exceed:
 - a. \$750,000 **OR**
 - b. \$1,500,000 for businesses that operate as a Restaurant, Carry Out Food Shop, or Tavern
4. The business must operate under one of the following categories of business, as defined in the Section 10-301 of Article 32 of the Baltimore City Code (Baltimore City Zoning Code):
 - a. Art Gallery
 - b. Arts Studios
 - c. Body Art Establishment
 - d. Carry-Out Food Shop
 - e. Entertainment: Indoor
 - f. Entertainment: Live
 - g. Greenhouse or Nursery
 - h. Health and Fitness Center
 - i. Lounge
 - j. Personal services establishment (e.g. Hair salon/barbershop, nail salon etc.)
 - k. Recreation: Indoor
 - l. Restaurant
 - m. Retail Goods Establishment (No alcoholic beverage sales)
 - n. Tavern

Eligibility of non-profits

Not-profit businesses are eligible for the grant provided that they generate earned revenue and meet all of the requirements listed above.



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 Multiple Locations

Businesses with 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 multiple locations is \$15,000 for one location, plus \$2,500 for each additional qualifying location

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.

No other COVID-related assistance funding

Grant preference will be given to businesses that have not received funding from any of the following programs:

- Emergency Impact Disaster Loan (Small Business Administration)
- Paycheck Protection Program (Small Business Administration)
- Maryland Emergency Grant (Maryland Department of Commerce)
- Maryland Emergency Loan (Maryland Department of Commerce)

Significant loss of revenue

Preference will be given Businesses who were unable to generate ANY revenue due to a mandatory closure by government order, or those businesses who were ordered to close but were able to remain open and generate minimal revenue by offering curbside pickup, delivery or other similar means product delivery while complying with the government order of closure.

Businesses must be able to calculate and demonstrate a significant loss of revenue to their business.



Neighborhood Composition

The business composition of the neighborhood will be taken into consideration when making awards

When reviewing grant applications, BDC will prioritize grants to businesses that serve a community need, or which would leave a significant absence in a community if it went out of business.

Preference will be given to businesses for which there is no close comparable business in the neighborhood and the closure of which would have a detrimental effect on the commercial area's ability to serve the neighboring community.

Example: A neighborhood may have four coffee shops, one barber, and one general retail store that sells a variety of goods. BDC would prioritize funding for the barber and retail store and at least one coffee shop to ensure that the business retains a range of businesses necessary to fully serve the surrounding community.

This will be a discretionary process undertaken by BDC staff during the grant review period.

- Funding for same-type businesses (e.g. the four coffee shops in the example above), funding will be prioritized based on:
 - Grant criteria (minority/women ownership, lack of access to other resources)
 - Availability of funding to meet the demonstrated need of each business
 - Maximizing the number of businesses that can be provided with adequate funding for their need
 - If all things are equal, BDC will fund businesses based on a lottery/random draw between the remaining businesses.

Calculation of Grant Award Amount

Maximum grant amount of up to \$15,000 per business. Grant award amount will be made based on the following

- Up to 2 months worth of business expenses, calculated as:
 - Rent (or Mortgage Interest)
 - Utilities
 - Payroll (including expected owner net revenue if not paid a W2 salary)



- The cost of expenditures necessary for the business to reopen while maintaining employee protection and social distancing guidelines, including by not limited to:
 - Personal Protective Equipment (PPE) for staff
 - Installation of employee/customer separations such as clear partitions at checkout/counter areas, installation of a carry-out window etc.
 - Purchase an installation of outdoor seating fixtures or equipment to allow customers to maintain social distancing requirements

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, and a commitment to reopen the businesses within 30 days of a government order allowing the business to reopen.

Initial Payment

BDC will make an initial payment in the amount of 50% of the total grant award within 14 days of all parties executing the Grant Agreement.

Commitment to Reopen

Businesses must be open to the public within 30 days of a government order that allows the business to reopen.

Final Payment

BDC will issue a final payment for the balance of the grant amount within 14 days after the business declared to BDC that the has reopened to the public, and such reopening has been verified by BDC.



Required Documents for upload into the City Grant Application

Tax Returns

2019 Business Tax Return with All Schedules **OR**

2018 Business Tax Return AND 2019 Year End Financial Statement/Income & Expense

Sole Proprietors, Self Employed and Single-Member LLC that file business taxes with personal income taxes may submit their personal income taxes, which must include Schedule C.

BDC will use this information to verify gross income eligibility, legal business entity, Good Standing with the State of Maryland, Payroll expense

Additional Documentation for Eligible Grant Expenses

To verify payroll expenses: IRS form 941 for the Quarter ending December 31, 2019

*Sole Proprietors – 1099 & Proof of payroll records

To verify Utility expenses: First two Utility Bills received and paid in 2020

To verify rent/mortgage interest expenses: Cancelled checks or proof of rent/mortgage payment for January and February 2020

To verify re-open plan costs: Business Reopening Plan cost estimate(s) – estimates of costs the business must incur to facilitate reopening. Example may include, but are not limited to: Cost of providing personal protective equipment (PPE) for staff; cost of installing staff/customer partitions at checkout; cost of purchasing and installing outdoor seating to allow for adequate social distancing; cost of installing a carry-out window; cost of business technology upgrade to allow for online ordering

Additional Optional Documents

Year End Payroll Report for 2019

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

