


Baltimore Small Business Assistance Grant Terms & Conditions

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Grant Funding

Total Availability

Baltimore City will award up to \$2,000,000 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 October 7, 2020 and end on October 16, 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 \$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.
 - a. Business must have a permanent physical location in the City where it serves clients or where employees of the company work on a regular basis. Home-based businesses that do not manufacture or sell products or services in a permanent physical location, and which have no permanent employees, are not eligible.
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. Business must have been operating in 2019 and submitted 2019 Federal Tax Returns.
5. Business must be in Good Standing with the State of Maryland (or be exempt from registering with the State of Maryland).
6. Business must be open and operating at the time of application for this Grant.
7. Businesses that previously applied for, or received, a grant from this program **are eligible** to apply. Businesses that have not previously received a grant from BDC will be given priority in the selection process.

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)
- Baltimore Small Business Assistance Grant (Baltimore Development Corporation) from a prior funding round

Significant loss of revenue

Preference will be given 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.

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 calculated based on the Gross Revenue of each business.

Business gross revenue will be verified based on an applicant's 2019 Federal Tax Returns. Businesses that were only in operation for a portion of 2019 may qualify for a grant tier based on the equivalent annualized **revenue reported in their tax returns**.

For example: A business that shows a net revenue of \$50,000 on the tax returns, but did not open until June 2019, will have an annualized revenue of \$100,000 for the purpose of this grant calculation. In order to qualify for an annualized calculation, applicant must provide proof of business formation and legal business occupancy that verifies a business opening date.

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 an l 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.

Required Documents for upload into the City Grant Application

Tax Returns

2019 Business Tax Return with All Schedules

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, and to calculate grant size.

Additional Documentation

Internal business financial statement for 2020 to-date that identifies Gross Business Income; Business Expenses and Net Business Income.

Financial statement does not need to be an officially prepared document, and can take the form of a spreadsheet, word document, income report from a payment processor etc.

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

