

Anne Arundel County Restaurant & Food Services Grant Program Maryland Commerce Round 2 Final Report

May 13, 2021

Anne Arundel Economic Development Corporation

2660 Riva Road

Annapolis, MD 21401

Executive Summary

A year into the COVID-19 pandemic and food service businesses in Anne Arundel County are still struggling. While restrictions have eased and recovery is progressing, these businesses are some of the hardest impacted and the most in need of assistance. During the 2021 Maryland General Assembly session, the state legislature passed the Relief Act of 2021, which was signed by Governor Hogan. Over \$2 million dollars was allocated to the Maryland Department of Commerce for restaurants in Anne Arundel County based on the number establishments. Commerce partnered with Anne Arundel Economic Development Corporation (AAEDC) and Anne Arundel County to disperse these desperately needed funds to food service businesses in the county through the AAEDC Restaurant and Food Services (RFS) Grant Program.

The Maryland General Assembly broadened the eligibility requirements to serve on-site drinking establishments and more categories of food service businesses. Grant proceeds could be used for a wide range of purposes such as working capital, rent, payroll, job training, infrastructure improvements, technology to support carryout and delivery, PPE, sanitization services, and other costs allowed under previous COVID-19 restaurant assistance programs in Anne Arundel County. In accordance with the guidelines set forth in the Relief Act of 2021, AAEDC prioritized those applicants that had not received prior funds through MEDAAF-funded grants (or from the COVID-19 Small Business Emergency Loan or Grant Program). The state required at least 15 percent of the allocated grant funds were to be awarded to owners of the businesses with a net worth of less than \$750,000, an adjusted gross income of less than \$350,000 and less than \$6 million in assets. Upon completion of this round of grants, 73% of approved grant applications were awarded to businesses fitting the state's criteria.

The maximum grant amount was capped at \$12,000 and 47 first-time applicants received grants in that amount. Thirty-four of those applicants had not received any prior funds through MEDAAF. A total of \$564,000 was issued to these prioritized recipients. The remaining \$1.54 million was divided equally among the 400 prior AAEDC RFS Grant Program recipients that returned the additional information needed to be eligible for a grant in this round. The "equal share" amount was \$3,850 per recipient. AAEDC dispersed grants in this round to 447 businesses for a total of \$2,104,000.

Beginning in November of 2020, 681 restaurant and food services businesses in Anne Arundel County have received a grand total of \$15,120,400 through the AAEDC Restaurant and Food Services Grant Program, over multiple rounds.

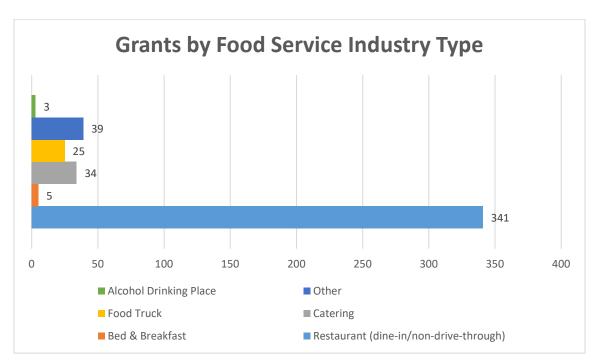
Anne Arundel Economic Development Corporation was proud to partner with Anne Arundel County, the State of Maryland, and the Maryland Department of Commerce to develop this Restaurant and Food Services Grant Program that quickly and efficiently dispersed the State of Maryland Relief Act of 2021 funds to these businesses in desperate need.

Program Statistics

Financial Summary

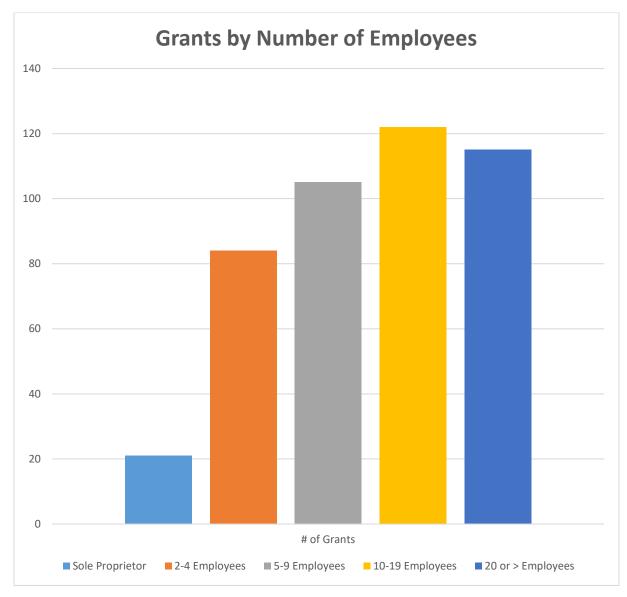
- 475 Number of applications
- 447 Number of Restaurant and Food Services (RFS) grants awarded (94% of total applicants)
- \$2,104,000 Total amount awarded
 - \$564,000 Amount awarded to first-time recipients
 - o \$1,540,000 Amount awarded to previous recipients
 - \$12,000 each to 47 first-time recipients
 - \$3,850 each to 400 previous recipients that met new requirements
- 28 Number of applications denied (6% of total applicants did not meet the eligibility requirements for the grant)

Breakdown by Food Services Industry Type



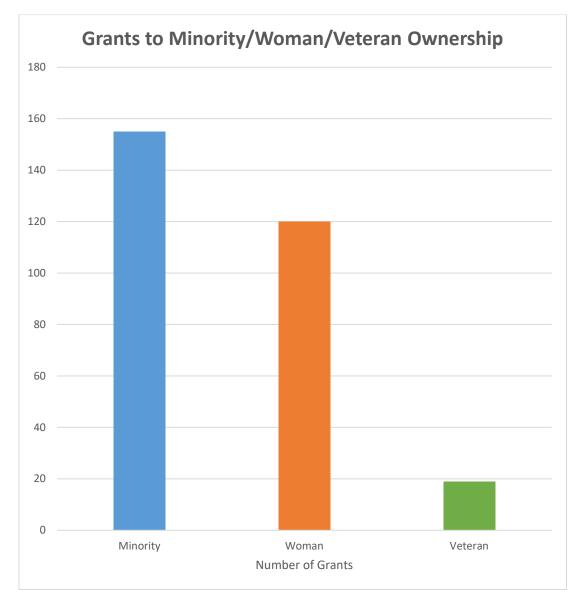
Category	# of Grants	Amount of Grants	% of Grants
Restaurant (dine-in/non-drive-through)	341	\$1,516,600	76%
Bed & Breakfast	5	\$35,550	1%
Catering	34	\$147,200	8%
Food Truck	25	\$128,850	6%
Alcohol Drinking Place	3	\$36,000	1%
Other	39	\$239,800	9%

By Business Size



Category	# of Grants Amount of Grants		% of Grants
Sole Proprietor	21	\$121,600	5%
2-4 Employees	84	\$404,900	19%
5-9 Employees	105	\$485,750	23%
10-19 Employees	122	\$567,500	27%
20 or > Employees	115	\$524,250	26%

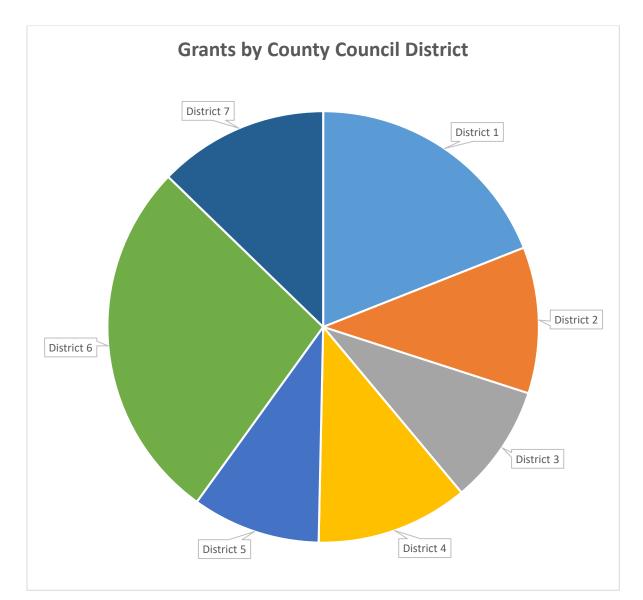
By Minority/Woman/Veteran Ownership*



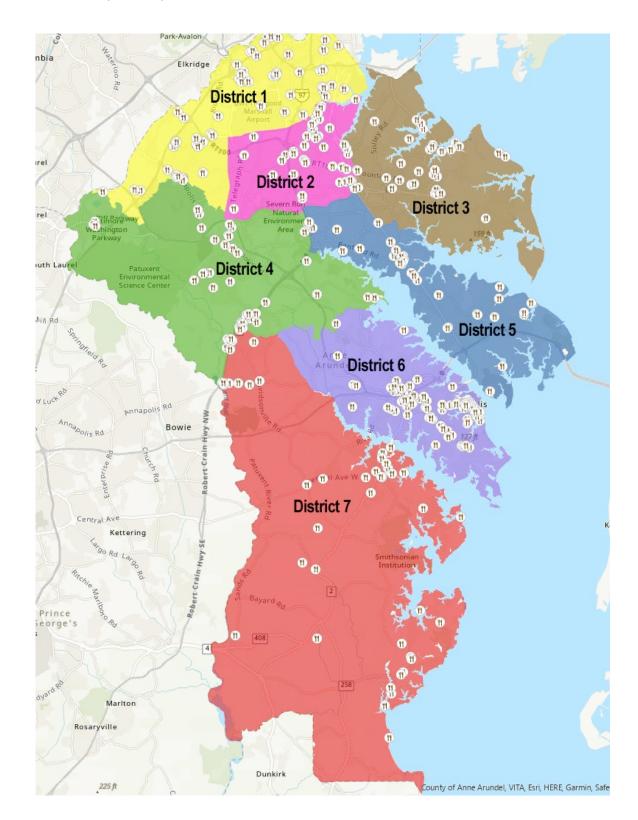
Category*	# of Grants Amount of Grants		% of Grants
Minority	155	\$759,750	35%
Woman	120	\$592,400	27%
Veteran	19	\$122,050	4%

^{*}Note: Information provided by the applicant at time of application; some applicants counted in multiple categories (example: Minority & Woman; Woman & Veteran; Minority, Woman, & Veteran)

By County Council District

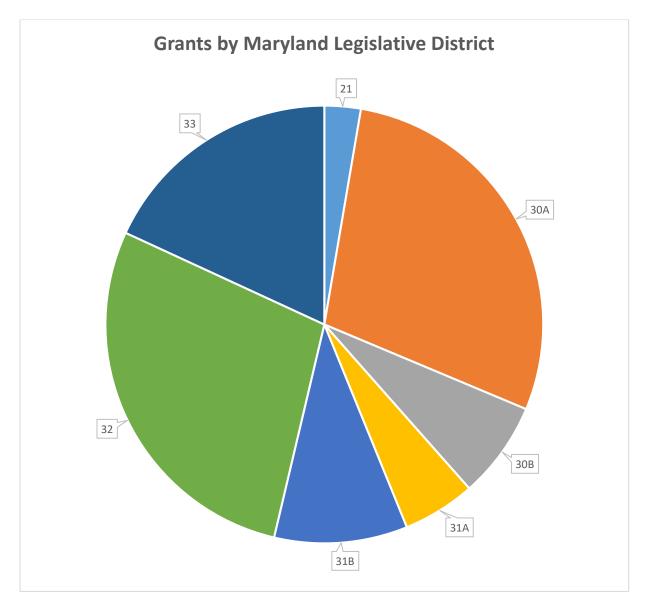


County Council District	# of Grants	Amount of Grants	% of Total Amount
1	85	\$400,600	19%
2	49	\$204,950	10%
3	40	\$186,600	9%
4	51	\$277,850	13%
5	43	\$190,000	9%
6	122	\$551,200	26%
7	57	\$292,800	14%

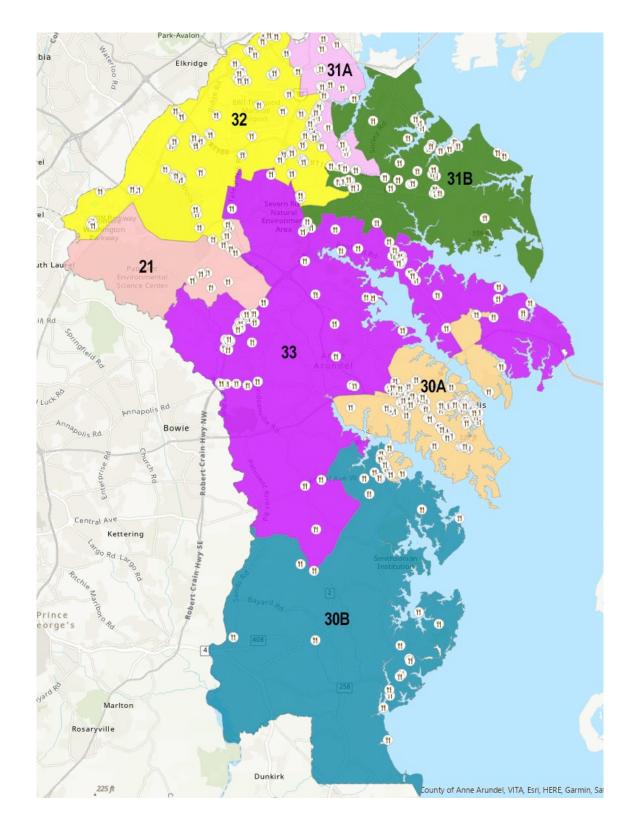


Distribution by County Council District

By State Legislative District

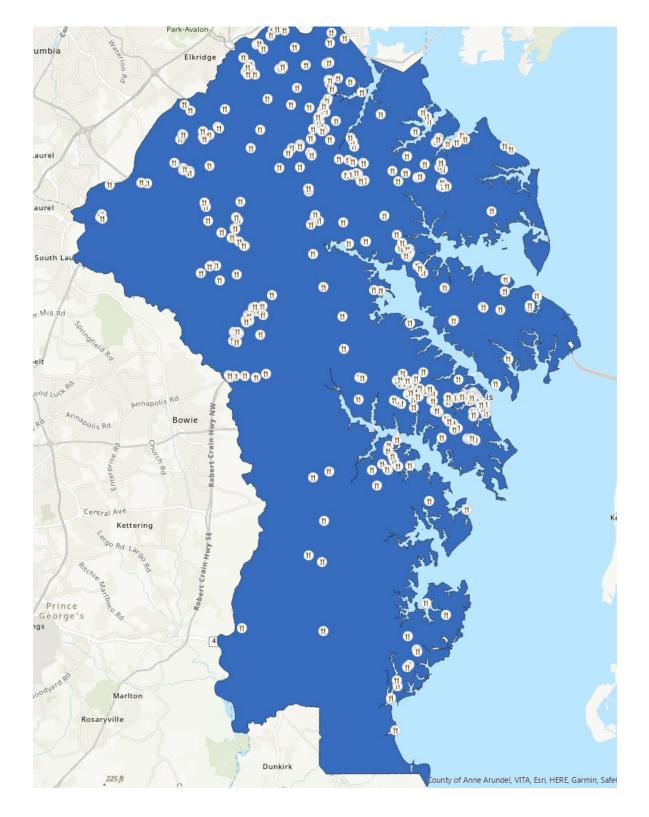


State Legislative District	# of Grants	Amount of Grants	% of Total Amount
21	12	\$54,350	3%
30A	128	\$582,450	28%
30B	32	\$180,250	9%
31A	24	\$116,850	6%
31B	44	\$193,850	9%
32	126	\$607,350	29%
33	81	\$368,900	18%

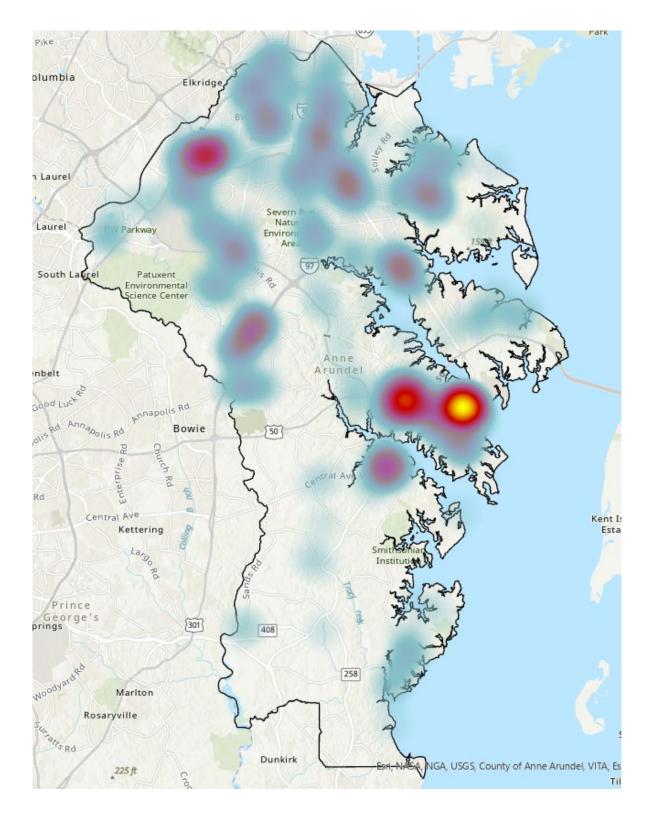


Distribution by Legislative District

Point Distribution of Grants



Heat Map of Grants



Testimonials

Marie A. Anoriscat-Hall, Chaps Pit Beef

We enjoyed working with Jonathan Boniface. He responded quickly and let us know what was needed so that we could submit everything that was required. We appreciate all of his help!

John Patnode, Genjo Coffee

Thank you so very much for informing me regarding the grant approval. I can't thank AAEDC enough. Your organization was instrumental in me starting my business (Thank you Candace Pruett!) and now will be the lifeline Genjo needs to move forward.

Saima Abbas, Tasker Traders LLC/The Treat

This is the first time I am getting some help. I am so thankful to all of you who are helping us in the pandemic Crises. Thanks again!

Dillon Fenno, Synergy Nutrition Hub LLC/Nutrition 33

We are so grateful for this opportunity and help!!! We cannot express how much this grant will allow us to support our team, our business, and our community impact! Times have been difficult for us and so many over the last year. With the grant, we will be able to offer outdoor seating, help with training expenses, assist with business overhead, and ease some of the pressure that has been weighing on us during this pandemic. We thank you, we thank God, and we thank the state of Maryland for helping small businesses make a BIG IMPACT!!!!