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The Merchants Fund

Restore & **REOPEN**

A GRANT PROGRAM FOR
PHILADELPHIA SMALL
BUSINESSES IMPACTED
BY CIVIL UNREST

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INITIAL FINDINGS

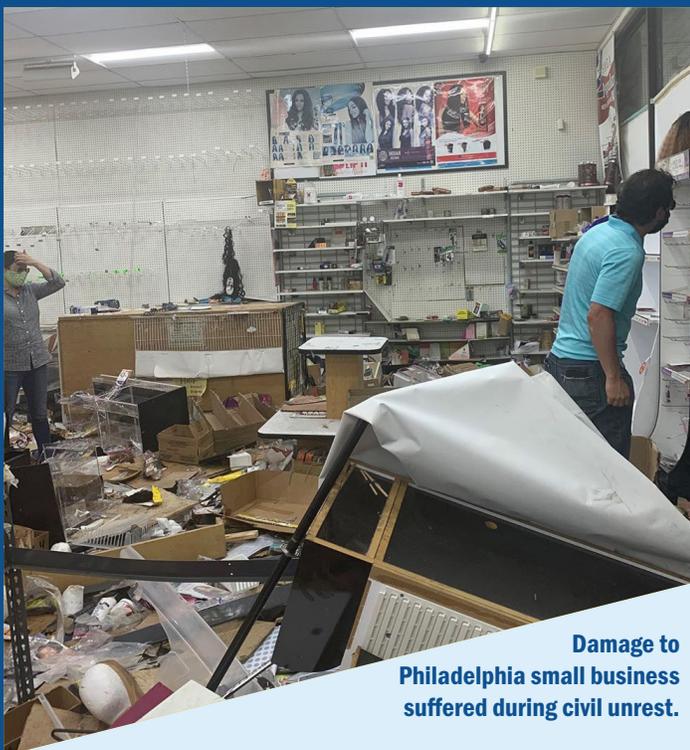
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BACKGROUND

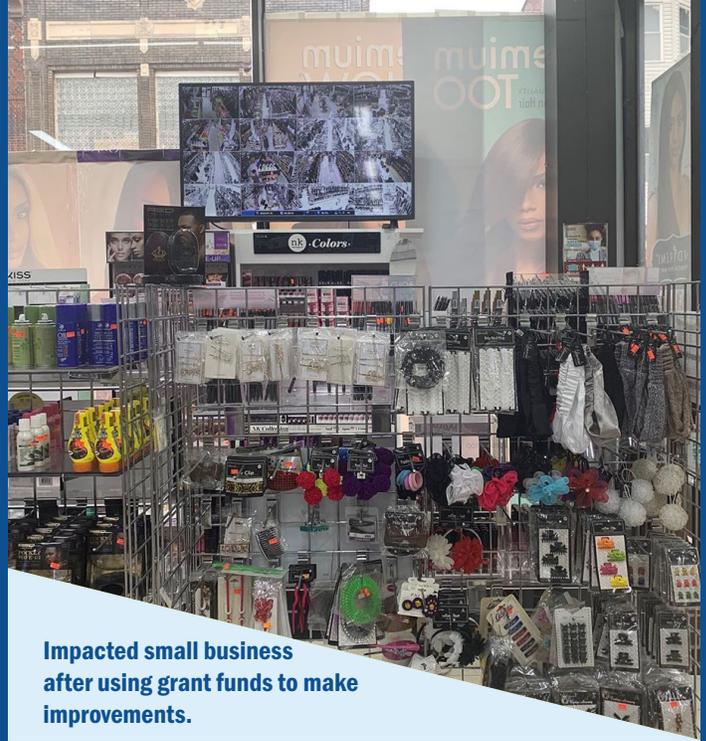
On May 25, 2020, the murder of George Floyd in Minneapolis sparked weeks of civil unrest in Philadelphia and across the nation, as millions of people protested the killings of Black Americans by police.

Already reeling from the impact of the COVID-19 pandemic, many small businesses in Philadelphia received a second financial blow from the significant property damaged that occurred during the unrest.

In response, the Philadelphia Department of Commerce partnered with The Merchants Fund to create the Restore and Reopen program. The goal of the program was to quickly distribute grants of up to \$10,000 to qualifying small businesses that suffered physical damage during the civil unrest.



Damage to Philadelphia small business suffered during civil unrest.



Impacted small business after using grant funds to make improvements.

As part of the application, businesses had to submit photo evidence of the physical damage to their stores.

Applications were accepted on a rolling basis from June 22-29, 2020. This report is a summary of the demographic and business characteristics of the grant recipients.

In total, 186 businesses received grants. The most common grant size was \$10,000. Over \$1.5 million of grants were given out to businesses in need.

Grant Breakdown

186

Businesses supported

\$10,000

Size of median award

\$8,542

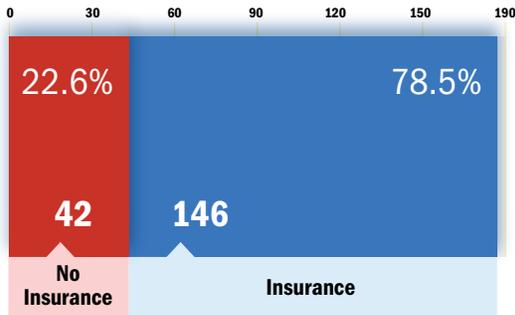
Size of average award

\$1,588,846

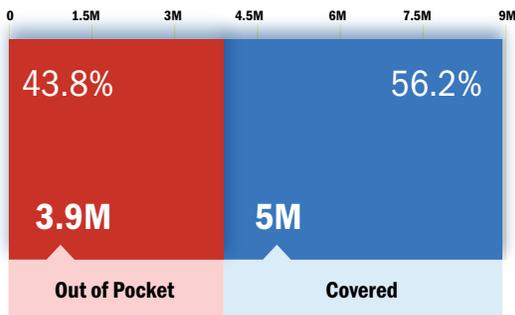
Total amount of grants given

BUSINESS NEED

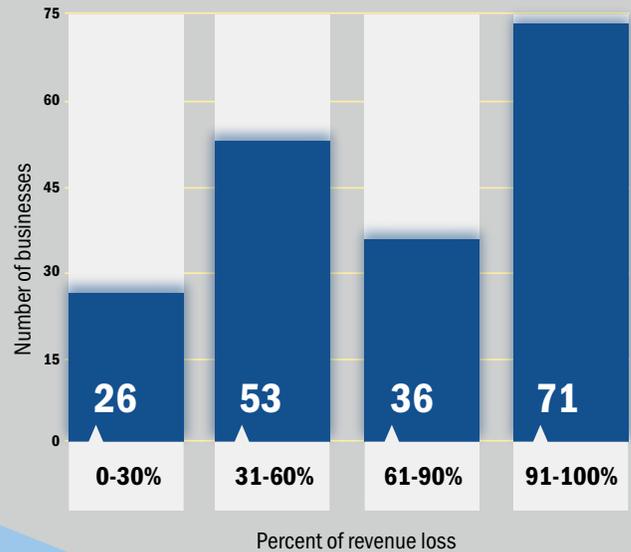
INSURANCE STATUS



INSURANCE COVERAGE



BUSINESS REVENUE LOSS DUE TO COVID-19 FOR GRANTEES



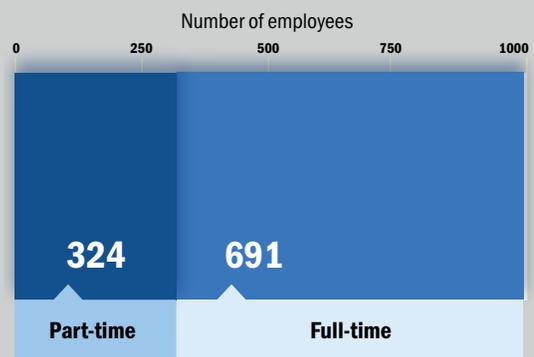
Almost a quarter of grant recipients did not have insurance, or lacked the coverage required, for their business. This meant they had to personally finance all costs related to property damage and inventory loss. Of the grant recipients who had insurance, only \$5 million of the \$8.9 million in damage was expected to be covered by insurance. Even insured businesses had to find outside funding sources to cover their deductibles and out-of-pocket costs beyond the limits of their policies. *Grant recipients who had inconsistencies in their insurance self-reporting were omitted from the insurance statistics.

BUSINESS SIZE AND SECTOR

GRANTEES BY SECTOR

SECTOR	GRANTEES	PERCENTAGE
Retail	116	62.4%
Food	33	17.7%
Personal Services	9	4.8%
Professional Services	8	4.3%
Caretaking	7	3.8%
Logistics	4	2.2%
Other	4	2.2%
IT/Technology	3	1.6%
Nonprofit	1	.5%
Manufacturing	1	.5%

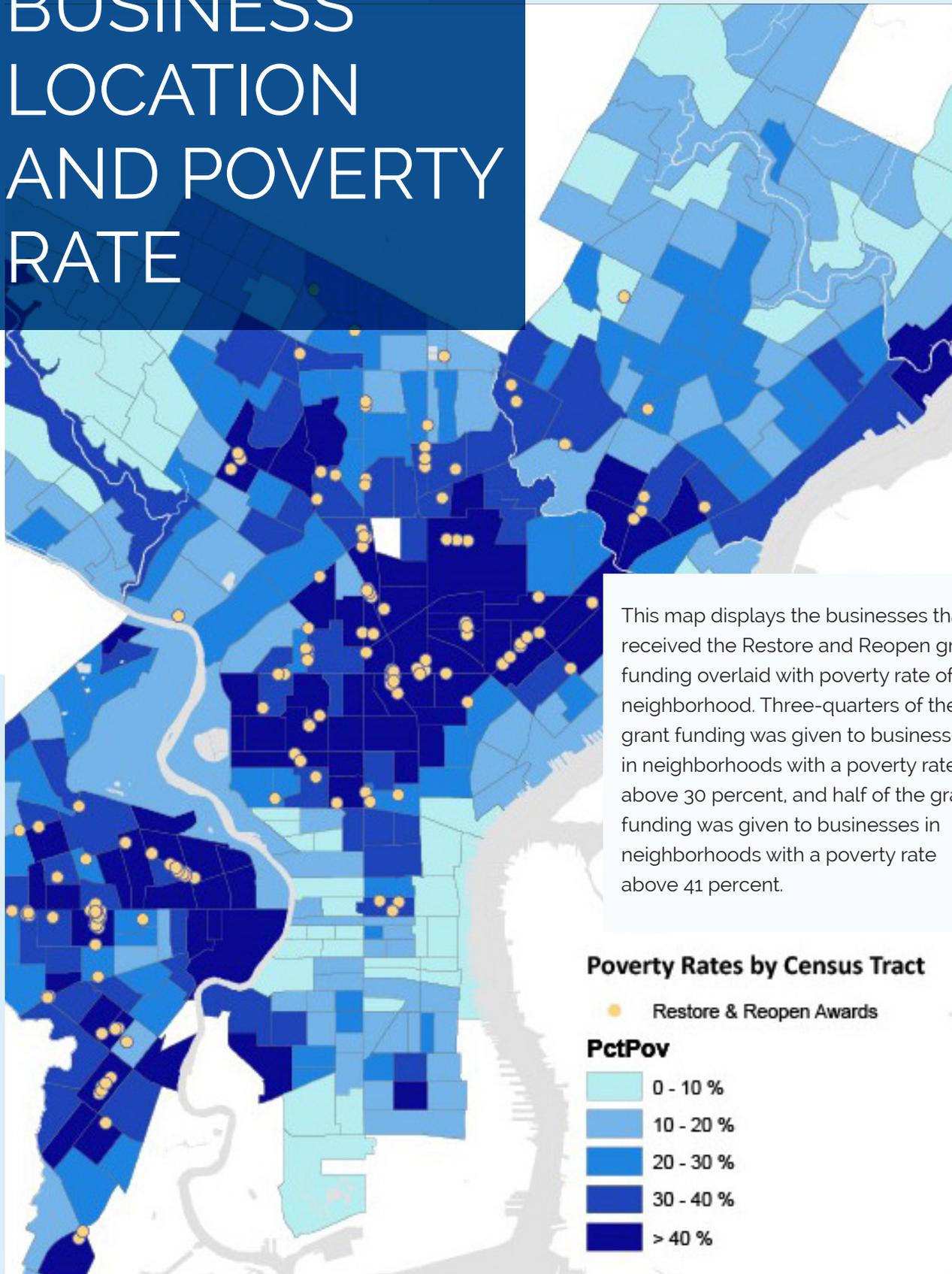
EMPLOYEE TYPE AND LOCATION



Small businesses are the backbone of Philadelphia's local economy, providing the vast majority of jobs along with countless goods and services for residents. The businesses supported by the Restore and Reopen program account for 1,015 jobs in Philadelphia. Of those 1,015 jobs, 691 are full-time positions while 324 are part-time. 41 percent of businesses supported (77) are owned by a resident living in the neighborhood. Around half of all business employees (504) live in the neighborhood where they work and where the business is located. Grant recipients were concentrated in the retail sector, totaling 62 percent of all recipients.

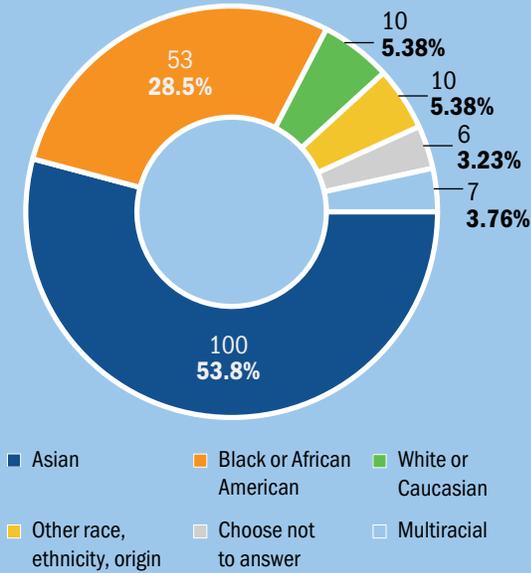
The median annual revenue for grant recipients was just \$188,500.

BUSINESS LOCATION AND POVERTY RATE

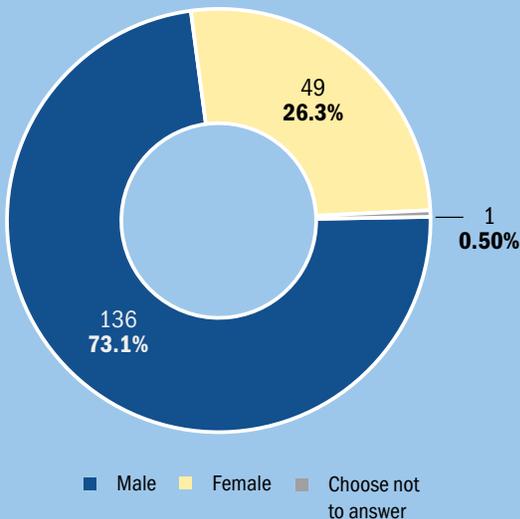


BUSINESS OWNERSHIP CHARACTERISTICS

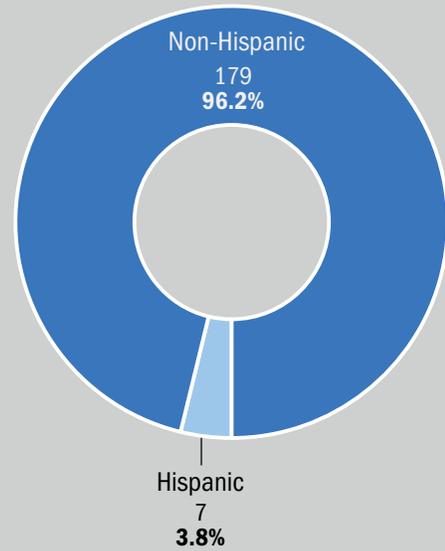
GRANTEES BY RACE



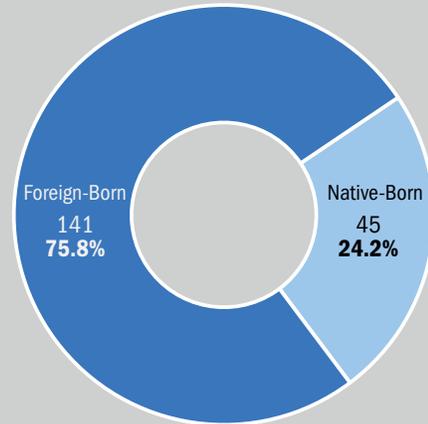
GRANTEES BY GENDER



GRANTEES BY HISPANIC ETHNICITY



GRANTEES BY COUNTRY OF BIRTH



Grant funding was prioritized for businesses in areas with the highest poverty rates. Over 90 percent of the grant funding was given to non-white business owners, 4 percent to Hispanic business owners, 76 percent to foreign born business owners and 26 percent to female business owners.



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