

Philadelphia COVID-19
Restaurant & Gym
Relief Fund

**IMPACT
REPORT**



Background

To support small businesses that were among the most impacted by pandemic-related restrictions enacted in November 2020, the Philadelphia Department of Commerce partnered with PIDC to create the COVID-19 Restaurant and Gym Relief Program (RGRP). The program was made possible through a transfer of City General Fund dollars by City Council in December 2020.

RGRP provided grants of up to \$15,000 to eligible businesses with less than \$2 million in 2019 revenue. Eligible businesses were limited to restaurants with indoor dining, gyms, and businesses whose primary activity is indoor exercise.

Businesses could use the funds to continue operations, including rent or payroll. In addition, investments were encouraged in outdoor winterization, indoor ventilation, and other COVID-related indoor physical space expenses.

Applications were accepted from January 28-February 9, 2021. In total, 914 businesses received grants. The average grant size was \$13,200, and \$12.1 million in total funding was given to businesses in need.

Grant Breakdown

\$12.1 Million
Total amount awarded

914
Businesses awarded

\$13,200
Size of average award

59.1%
Awards to minority-owned businesses



| Grantee Spotlight

Yanako is a Japanese restaurant and sushi bar in Manayunk that

has been operating for over a decade. The pandemic forced the restaurant to lay off over 60 percent of its staff and only provide delivery through third party services. Thanks to RGRP, Yanako was able to hire and train staff, create an in-house delivery service, and increase outdoor seating capacity.



Yanako
4345 Main Street



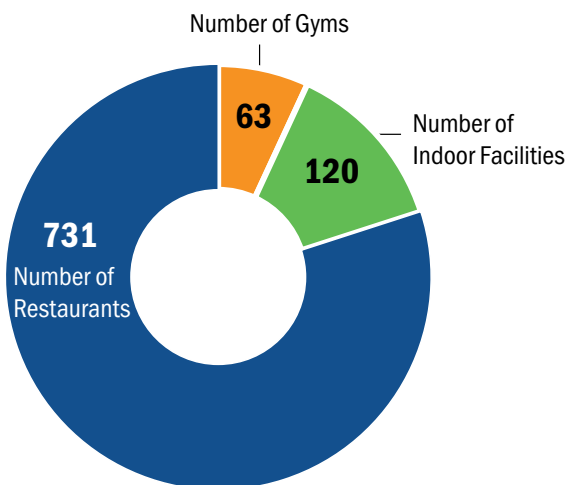
GymRatz Athletics
6157 Larchwood Avenue

GymRatz Athletics is a fitness center in West Philadelphia

that offers personal training, group classes, and nutritional counseling. Established by a Philadelphia police officer, the gym opened its current location shortly before the pandemic in late 2019. RGRP helped GymRatz Athletics with employee payroll, office renovation, gym equipment, HVAC repairs, and electrical system repair.

Business Demographics

BUSINESS CATEGORY



Industry

80 percent of grant recipients were restaurants. This industry was particularly devastated by the pandemic, forcing dramatic shifts in business operations and requiring greater focus on less lucrative sources of revenue (such as take-out food).

20 percent of grant recipients were gyms or indoor exercise facilities. In response to the pandemic, many of these businesses shifted to online services or reduced hours for in-person service.

Business Size

RGRP focused its relief efforts on small businesses, which are the backbone of Philadelphia's local economy. The majority of grant recipients reported 2019 revenue totals between \$300,000 and \$600,000.

2019 Revenue of Grant Recipients

\$2,000

Smallest

\$2,000,000*

Largest

\$527,101

Average

\$583,929

Restaurant Average

\$374,587

Gym Average

\$357,298

Median

*Eligible businesses could not have a 2019 revenue exceeding \$2 million.

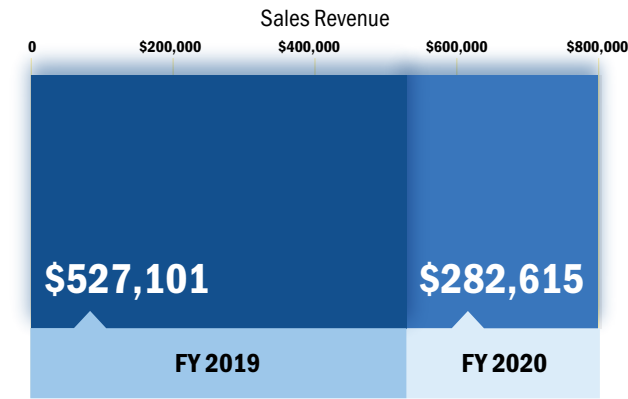


Revenue Losses

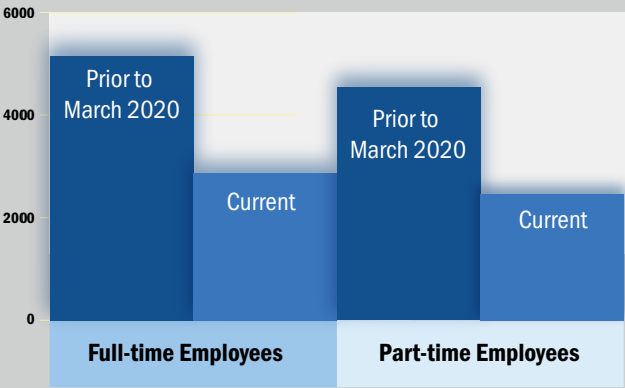
Grant recipients reported an average annual revenue of \$527,101 in 2019, compared to \$282,615 in 2020. The average revenue loss was \$244,486 (a decrease of 46 percent).

The average gym that received a grant reported more revenue loss from 2019 to 2020 than the average restaurant. This likely reflects the continued closure of some gyms and indoor exercise facilities without alternative revenue sources.

AVERAGE (MEAN) SALES REVENUE
2019 vs 2020

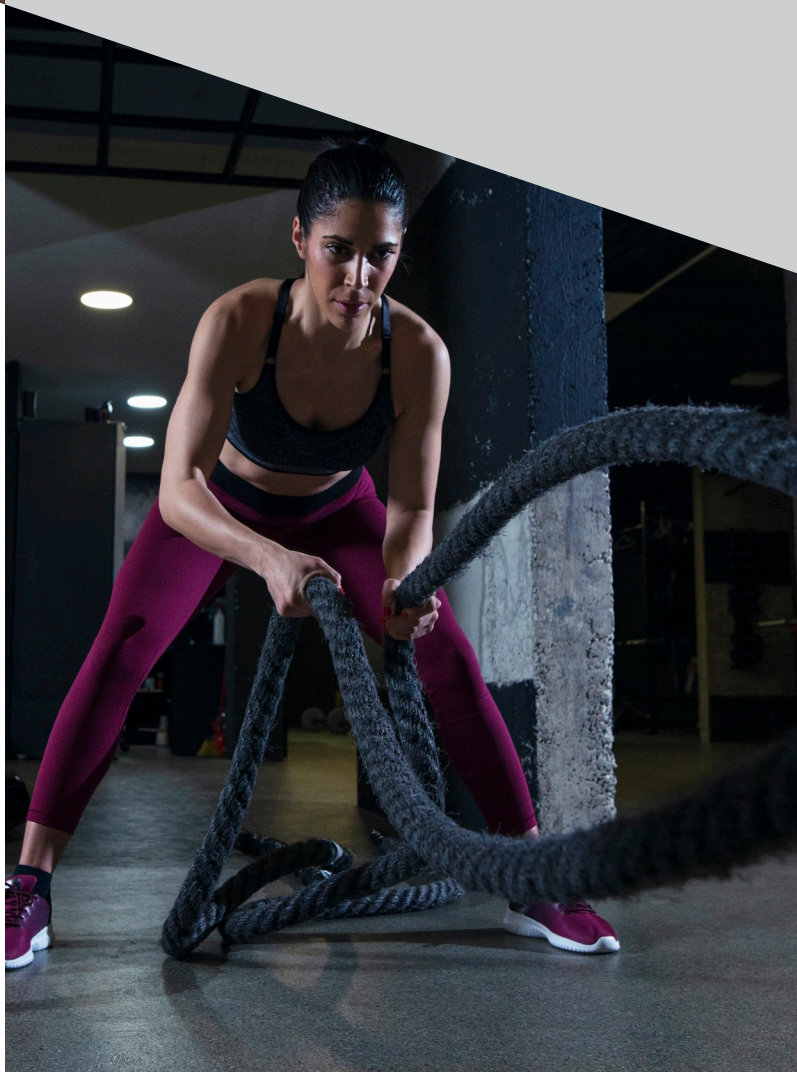


EMPLOYEES OF AWARDED BUSINESSES



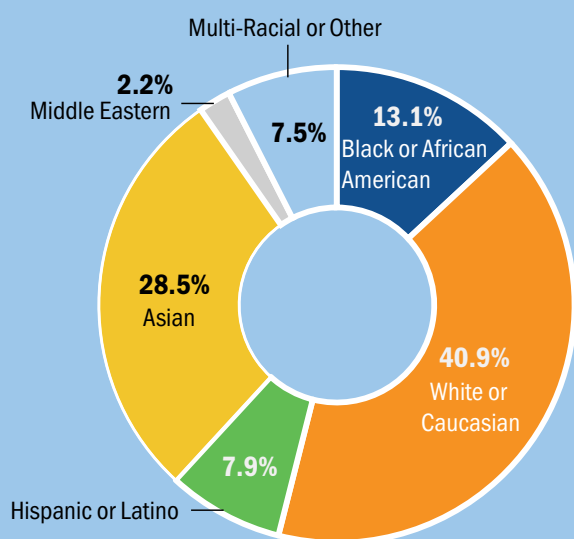
Employment Losses

Overall, businesses that received grants lost nearly half of their employees due to the COVID-19 pandemic. The average business lost 2.43 full-time employees and 2.24 part-time employees.

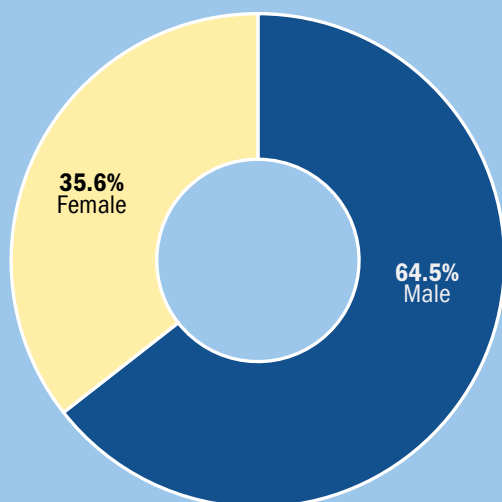


Business Diversity

GRANTEES BY RACE AND ETHNICITY



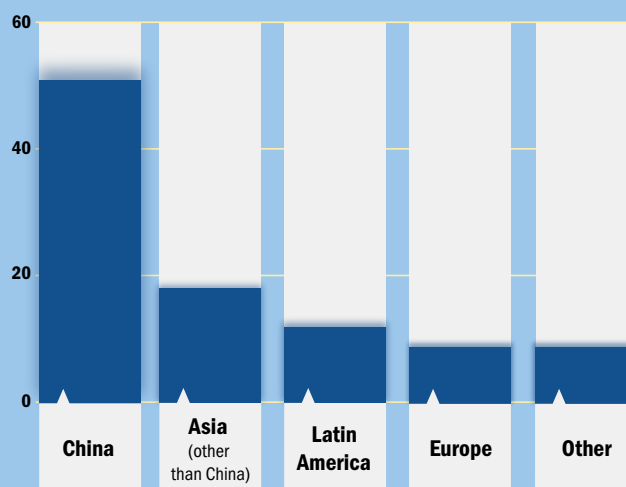
GRANTEES BY GENDER



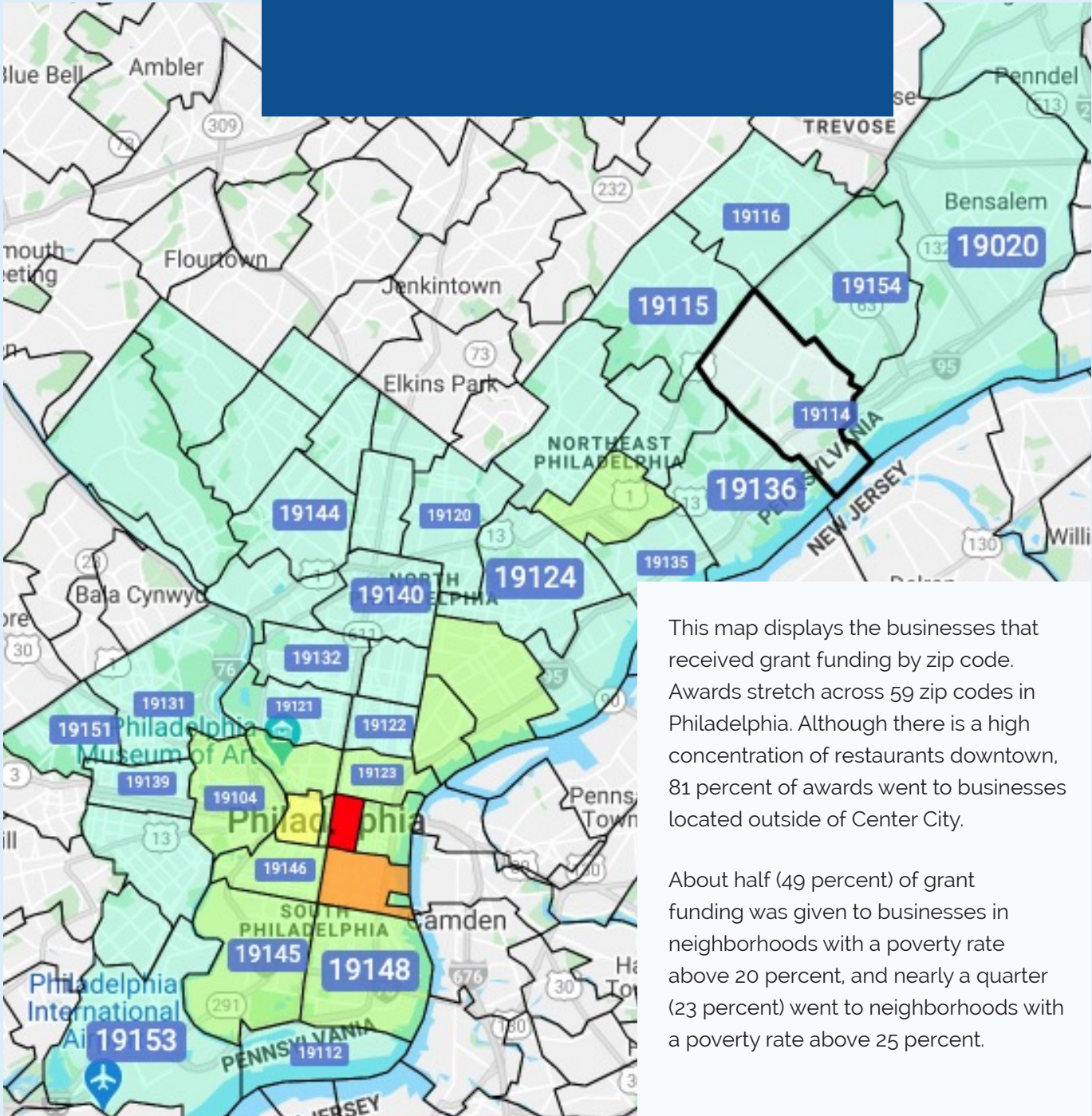
Grant funding was prioritized for minority-owned businesses, businesses located in areas with high poverty rates, and businesses that suffered physical damage during the civil unrest in 2020.

According to self-reported demographic information, nearly 60 percent of grant funding was given to minority-owned businesses while over a third was given to women-owned businesses. In addition, 43 businesses (5 percent) were LGBTQ-owned and 99 businesses (11 percent) were immigrant-owned.

IMMIGRANT GRANTEES BY REGION



Geographic Distribution





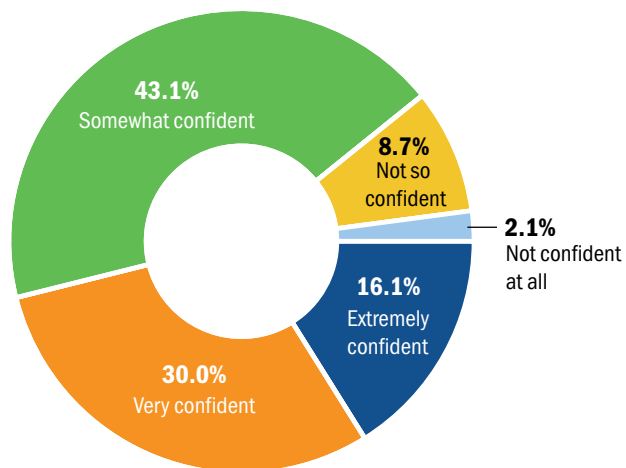
COVID-19 Restaurant & Gym Relief Fund Impact Survey

The Philadelphia Department of Commerce conducted a survey of businesses that received grant funding in order to assess expectations for future business performance, as well provide feedback on program design and accessibility. A total of 387 businesses responded, representing a 42 percent response rate.

Business Expectations

The survey found that business owners were largely confident about their ability to weather the COVID-19 crisis. 46 percent of respondents reported feeling extremely or very confident their businesses will survive, with another 43 percent saying they are somewhat confident.

CONFIDENCE TO WITHSTAND THE PANDEMIC





AS ONE BUSINESS OWNER EXPRESSED:

“With the help of PPP [**Paycheck Protection Program**], EIDL [**Economic Injury Disaster Loan**], and RGRP [**Restaurant & Gym Relief Program**], we were able to keep our doors open during and after the height of the pandemic...I cannot imagine where we would be today without help from our city and government. We're hopeful the City will continue to support small and independent restaurants like us.”

— RGRP Grantee

Ongoing Analysis

As more businesses reopen their doors according to the City's protocols, there is good reason to believe that restaurants and gyms in Philadelphia will recover and rebuild.

Relief programs like RGRP are critical to that success. While feedback from the RGRP grantees was overwhelmingly positive, business owners continue to express a need for additional funding opportunities.

The continued observation of businesses who participated in RGRP will help determine the best way the City of Philadelphia can support small businesses and meet the needs of those hit hardest by the COVID-19 pandemic.





Driving growth to every corner of Philadelphia

Cover - Fitness Equipment - Photo created by mrsiraphol; Weights - Photo created by jcomp; Waiter - Photo created by jcomp; Open Sign - Photo created by jcomp **Page 2** - Tables - Photo created by kaboompics; **Page 5** - Open Sign - Photo created by tirachardz; Girl Ropes - Photo created by aleksandarlittlewolf; **Page 6** - Man Working Out - Photo created by prostooleh; **Page 8** - Blurry Pict - Photo created by mrsiraphol; **Page 9** - Coffee - Photo created by wavebreakmedia_micro; Interior Fitness Club - Photo created by freepik