Eating in restaurants brings us together in a way few other activities can. They are core to the very fabric of our communities, and they are fighting for their survival.

Providing immediate financial relief to Texas’ independent restaurateurs with funds designed to save employee jobs amid the COVID-19 crisis.
FUNDRAISING AND GRANT DISTRIBUTION | Since the launch of the TX Restaurant Relief Fund initiative on March 23, 2020, $2.5 million has been raised through the immense generosity of individuals and corporations alike. Below are key statistics illustrating the progress made thus far. There is much more work to be done, however, as the updated industry status reports on the opposite page illustrate. The Texas Restaurant Association Education Foundation is committed to reaching the TX Restaurant Relief Fund’s $10 million goal to help as many of Texas independent restaurateurs and their employees as possible.

Visit our Gratitude Wall recognizing the generosity making this possible:
www.txrestaurant.org/TXRestaurantReliefFund

$2.5 Million raised as of August 15, 2020
Individual Donations
Corporate Gifts
Foundation Grants
Livestream Concerts

500+ Independent Restaurants
Awarded unrestricted grants or grants to also feed first responders

71,000 First Responders Fed (and climbing)
Provided individually wrapped meals

750+ Contributors
Individual and Corporate Donations

221 Texas Counties
Represented by Grant Recipients

Thanks from Recipients

“Thank you so much. Read [Grant Award Letter] last night before going to bed and, without sounding corny or overly dramatic, it was one of the few recent times I went to bed a little less stressed. Appreciate the work you’re doing on this and thanks to BCBSTX.”

“We are so grateful and cannot thank you enough for assisting us with this grant. We are truly blessed! Every little bit helps and contributes to keeping us open as we’ve been struggling to stay afloat for some time now. Again, thank you and thank you.”

“Thank you for the grant. The work of the entire Texas Restaurant Association has been exemplary. Raising these funds for the restaurant operators in the state is just wonderful. As you know it is the small businessmen and women and entrepreneurs who are the backbone of the restaurant industry, not only in Texas but throughout the United States. These grants will help us survive.”

“Words cant describe how much we needed these funds! Thank you so much for your help during this time of uncertainty! From the bottom of my heart, I thank you!”

25% Fundraising Goal
$2.5 Million raised
$7.5 Million to go
THE COVID-19 ECONOMIC IMPACT | On June 12, 2020, the National Restaurant Association released updated survey results measuring the economic impact on restaurants since the March 25, 2020 report resulting from the COVID-19 pandemic. Below are key data points that illustrate the devastating impact to our industry, statistics which continue to increase. (For updated National statistics, see page 4)

February 2020

$70.6 billion
Estimated sales in Texas’s restaurants in 2019

1,349,500
Restaurant and foodservice jobs in Texas in 2020 = 10% of employment in the state

March–April 2020

$4.2 billion
Restaurant sales lost in April due to COVID-19 outbreak

688,000
Restaurant employees laid off or furloughed since COVID-19 outbreak

May 2020

81%
Restaurant operators have laid off or furloughed employees

60%
Restaurant operators say it is unlikely that their restaurant will be profitable within the next six months


81%
Restaurant operators have laid off or furloughed employees

60%
Restaurant operators say it is unlikely that their restaurant will be profitable within the next six months

CONTENTS

Cover Letter -2-
Executive Summary -3-
Industry Statistics -4-
Goals and Objectives -5-
Fundraising Plan -6-
Promotional Strategy -7-
Applicant Evaluation and Reporting -8-
About the Association -9-
About the TRA Education Foundation -9-
Questions and Answers -10-

For more information or to discuss financially supporting the TX Restaurant Relief Fund, please contact

Joe Monastero
Chief Strategy & Operations Officer
jmonastero@txrestaurant.org
(512) 537-0989

To make large grants or gifts, please contact us for electronic wire instructions, or you may mail a check made payable to

Texas Restaurant Association Education Foundation
with TX Restaurant Relief Fund on the memo line to
3300 N. IH-35, Suite 610, Austin, TX 78705

Donations may be made online for up to $10,000 by visiting
www.txrestaurant.org/TXRestaurantReliefFund
March 23, 2020

Dear Texas Restaurant Industry Supporter,

The COVID-19 pandemic has brought a catastrophic challenge on the Texas restaurant industry. At the beginning of this crisis there were more than 50,000 restaurants throughout the State of Texas that employed 1.4 million workers. The Texas Restaurant Association is fighting daily to support and advocate for the evolving needs of these restaurants who are in a fight for survival.

While we collaborate with local, state, and federal officials to ensure that the essential services provided by restaurants remain available to our communities, we must also look toward relief and the immediate financial need of independently owned restaurants. We have established the **TX RESTAURANT RELIEF FUND**, an initiative of the Texas Restaurant Association Education Foundation – our 501(c)3 not for profit organization focused on the education and development of Texas’ restaurant industry workforce.

The mission of the TX Restaurant Relief Fund is to provide immediate financial relief to Texas’ independent restaurateurs with funds designed to save employee jobs. Funds received will help keep independently owned restaurants open and their workers employed.

Relief from the government through stimulus packages or the U.S. Small Business Administration’s (SBA) Economic Injury disaster loans cannot come soon enough, as restaurants are fighting today to stay open. To get money into their hands immediately, we have set out to raise a minimum of $10 million to support as many of Texas’ independently owned restaurants as possible.

The TX Restaurant Relief Fund will distribute grants of $2,500 to $5,000 per unit to independent restaurants across Texas to support their financial needs. These funds are earmarked specifically for use to keep their doors open and their workers employed.

Working together, we can support the incredible independently owned restaurants in Texas as well as their employees. The TX Restaurant Relief Fund will continually issue grants to independent restaurants as money is raised.

Thank you in advance for your consideration and generosity.

Emily Williams Knight, Ed.D.
President & CEO
Texas Restaurant Association and Education Foundation

Chef Sharon Van Meter
Chairwoman
TRAEF Board of Trustees
The Need

The COVID-19 pandemic has placed an incredible burden on the Texas restaurant industry (see industry statistics, page 4). Independent restaurateurs need immediate financial relief in order to stay in business, aid their employees, and survive the impact of this never before seen situation. The mission of the TX Restaurant Relief Fund is

**to provide immediate financial relief to Texas’ independent restaurateurs with funds designed to save employee jobs.**

Executive Summary

OVERVIEW

The Texas Restaurant Association Education Foundation (TRAEF) – the 501(c)3 not for profit entity of the Texas Restaurant Association (TRA) – through its expanded mission to be the workforce development arm of the Association, established the TX Restaurant Relief Fund initiative on March 23, 2020 in response to the COVID-19 pandemic crisis. The objective of the fund initiative is to raise $10 million to support immediate financial relief for as many of Texas’ independently owned restaurants as possible.

FUNDRAISING

Fundraising for the TX Restaurant Relief Fund initiative combines grass-roots individual donations with grants and other large gifts from companies and foundations whose philanthropic goals align with the mission of the Fund. In the first week of its existence, the TX Restaurant Relief Fund raised nearly $30,000 from individual donations, text to give, Facebook campaigns, and an Instagram livestream concert organized by the owners of El Arroyo.

In order to achieve the TX Restaurant Relief Fund’s $10 Million fundraising goal, support in the form of significant gifts is required. Outreach to grant-giving organizations and corporate foundations has expanded beyond those directly related to the restaurant industry, and includes oil and gas companies, tech companies, as well as those indirectly engaged in the restaurant industry.

GIVING

The TX Restaurant Relief Fund initiative strives to provide Texas’ independent restaurants with immediate financial support in the form of grants valued at $2,500 to $5,000 per independently owned restaurant location. In this unprecedented time, the luxury of establishing an endowment before engaging the community to identify grant recipients does not exist. Restaurants’ need is immediate (see industry statistics, page 4). The TRAEF will distribute funds as they become available, responding to complete grant applications on a first come, first served basis. Membership in the Texas Restaurant Association has no bearing on selection. Grants awarded to restaurants still in operation are to be used to keep their doors open and workers employed.
On June 12, 2020, the National Restaurant Association released a new round of survey results measuring the economic impact between May 15 and 25 as a result of the COVID-19 crisis on restaurants. Below are National key data points that illustrate the devastating impact to our industry, statistics which are increasing dramatically as we do not know the crisis’ ultimate duration.

**The Restaurant Industry CONTINUED IMPACT**

Published June 12, 2020

To assess the economic impact of the coronavirus to date, the National Restaurant Association conducted a survey of more than 3,800 restaurant operators nationwide, May 15-25.

The restaurant & foodservice industry is predicted to **LOSE $240 BILLION IN SALES** by the end of 2020.

75% of operators say it’s **UNLIKELY THEIR RESTAURANT WILL BE PROFITABLE WITHIN THE NEXT 6 MONTHS**

8 MILLION RESTAURANT EMPLOYEES UNEMPLOYED at the height of the pandemic shutdown

RESTAURANTS REHIRING:

76% that are **OPEN IN SOME CAPACITY**

and 27% that are **TEMPORARILY CLOSED**

Industry Statistics: COVID-19 Impact
Goals and Objectives

The TX Restaurant Relief Fund is an emergency relief initiative of the Texas Restaurant Association Education Foundation (TRAEF), a 501(c)3 not for profit focused on workforce development and education of restaurant employees and those aspiring to enter the industry. The simple yet urgent mission of the TX Restaurant Relief Fund amid the COVID-19 crisis is to provide immediate financial relief to Texas’ independent restaurateurs with funds designed to save employee jobs. The Texas Restaurant Association and Education Foundation have reallocated staff whose primary responsibilities are related to projects on hold during this crisis to support the establishment, deployment, fundraising, and administration of the TX Restaurant Relief Fund, ensuring that its goals and objectives are met.

GOALS

There are three primary goals of the TX Restaurant Relief Fund:

• To provide restaurants with critically needed financial support immediately.
• To financially support restaurateurs, keeping restaurants open and workers employed.
• To provide those seeking a reputable source through which to financially support the Texas restaurant industry and its employees affected by COVID-19.

OBJECTIVES

Never before have we faced such a challenge to the stability and prosperity of Texas’ diverse and renowned restaurant scene. In a very short period of time, restaurants throughout Texas have been put in a position to fight for their very survival. Almost one-third of Texas restaurateurs, 32%, responded in a survey by the National Restaurant Association that they have closed their operations, hopefully only temporarily. Additionally, 2% already have permanently closed, and another 12% anticipate that they will have no choice but to permanently close in the next 30 days without immediate support. The economic impact from this loss continues to grow at an alarming rate, reinforcing the objectives of how the TX Restaurant Relief Fund initiative will measure success:

• Raise a minimum of $10 million to fulfill currently open and independently owned restaurants’ immediate need for support until Federal funds arrive.
• Minimize how many restaurants in Texas will permanently close due to COVID-19.
• Support the displaced workers of Texas’ restaurant industry by making it easier for restaurateurs to keep them employed, or ensure there is a restaurant open for them to return to after being furloughed.
• Bring awareness of the challenges faced by restaurants during COVID-19 to potential grant-giving organizations and corporate foundations to attain their support.
• Demonstrate the grassroots effort to support restaurants; the core of our communities.
Fundraising Plan

FUNDRAISING | Grassroots

Restaurants make up the core of communities. They are the venues in which we celebrate the important moments of our lives, everything from sporting events to birthdays, weddings, engagements, and reunions of friends and family. While the ultimate success of the TX Restaurant Relief Fund initiative will depend upon the generosity of large gifts from grant-giving organizations and corporate foundations, the Board of Trustees of the Texas Restaurant Association Education Foundation (TRAEF) strongly felt that the Fund should be open to donations of any size.

Individuals can participate in supporting independent restaurateurs through the TX Restaurant Relief Fund initiative via the Foundation’s website, through a text-to-give number, or through Facebook, creating campaigns naming the Texas Restaurant Association Education Foundation as the beneficiary.

FUNDRAISING | Grants and Corporate Gifts

Achieving the $10 million fundraising objective for the TX Restaurant Relief Fund initiative requires substantive gifts from grant-giving organizations and corporate foundations. The TRAEF Fundraising Committee and staff are outreaching to organizations with strong ties to the Texas restaurant industry and those outside the industry with ties to Texas communities. The TRAEF is ready to co-brand specific grants or assess requests that may semi-restrict funds as may be requested by some organizations (for example, an organization with strong ties to Houston wishing to have funds directed only to Houston independent restaurants).

While most grant-giving organizations or corporate foundations have lengthy evaluation processes, the need of independent restaurants is immediate, necessitating the TX Restaurant Relief Fund initiative be funded as quickly as possible. The leadership of the Foundation are ready to work with organizations considering giving to expedite their process, streamlining the fundraising and grant issuing cycle (pictured below) to occur as quickly as possible.
Promotional Strategy

SUMMARY
A multi-channel promotional strategy is underway for the TX Restaurant Relief Fund initiative, including direct email to all Texas Restaurant Association members (restaurant and allied), press releases, social media and networking, and direct outreach. Donors, unless they indicate otherwise, will be recognized on social media and a special gratitude page on the TRAEF website.

MULTICHANNEL PROMOTION
The Texas Restaurant Association marketing team is using a multichannel approach to spread the word of the TX Restaurant Relief Fund. Social media, radio and television press, leveraging member networks, and general word-of-mouth are all contributing to the awareness of the TX Restaurant Relief Fund initiative and grant opportunities. Texas Restaurant Association Education Foundation staff and members of the Board of Trustees Fundraising Committee are conducting personal outreach to grant-giving organizations and corporate foundations.

GRASSROOTS ACTIVITIES
Though currently in a fight for their survival, restaurants have begun to incorporate activities to promote the TX Restaurant Relief Fund initiative. On Friday, March 27, El Arroyo organized an Instagram livestream concert to bring awareness of the Fund, and, over a three-hour period, raised more than $18,000 for the Fund. Local foodie groups and individuals are spreading the word and conducting Facebook-based fundraising campaigns. All Facebook fundraising campaigns benefiting the Texas Restaurant Association Education Foundation for the time being will benefit the TX Restaurant Relief Fund.

RECOGNITION OF FUND SUPPORTERS
Donors to the TX Restaurant Relief Fund initiative will receive recognition in several ways. Individual donors will be recognized via a gratitude wall on the TRAEF website. Corporate donations, unless requested otherwise, will be recognized on social media and press releases, as agreed by the organization and Foundation’s leadership, ensuring adequate exposure for the organization.
Evaluation of Grant Applicants

COVID-19 has drastically impacted all restaurants. The Texas Restaurant Association represents all 50,000+ restaurants in Texas, regardless of ownership, franchise brand, etc. During the establishment of the TX Restaurant Relief Fund, the Texas Restaurant Association Education Foundation (TRAEF) leadership considered the need of independent restaurateurs and lack of support the resources that nationwide corporate-owned or franchised receive. In the first phase of grant awarding, therefore, the TX Restaurant Relief Fund will focus solely on Texas’ independently owned restaurants. If an abundance of funds are raised that exceed the number of independently-owned applicants, a second round of grant awarding will include franchisees with less than 5 units.

GRANT APPLICATION

All independent restaurateurs are eligible to apply for the TX Restaurant Relief Fund initiative grants. Information they are required to submit includes:

• General Company and Ownership Information, including EIN number
• Business demographic information, such as number of FT/PT employees and locations
• Copy of payroll register (may be redacted of sensitive personal information) listing staff
• Corporate Bank Account information (optional) to ACH grant awards
• Signed Acknowledgment Statement regarding funds use and reporting requirements

APPLICATION EVALUATION

TX Restaurant Relief Fund initiative grant awards will be distributed to complete and approved applicants as funds become available on a first come, first served basis. Independent restaurants applying for grants will be evaluated by the TRAEF staff using a simple rubric:

• All application documentation and acknowledgment statement have been submitted
• The restaurant remains open providing modified service (takeout / delivery)
• Ownership has been confirmed as independent

Grant Recipient Reporting Requirements

Donations to the TX Restaurant Relief Fund initiative of the Texas Restaurant Association Education Foundation are tax-exempt to the extent the law and Internal Revenue Service (IRS) guidelines allow. In order to ensure that restaurateurs do not incur a negative tax impact from these grants, restaurateurs will be required to revert back to the TRAEF data and information regarding how the funds are used, how many employees were positively impacted, and whether they were able to keep their businesses open through the COVID-19 crisis.
About the Texas Restaurant Association

The Texas Restaurant Association (TRA) was formed in 1937 to serve as the primary advocate and an indispensable resource for the Texas foodservice industry. The TRA represents the state’s $70 billion restaurant industry, which is comprised of more than 50,000 locations and a workforce of 1.4 million employees. The TRA works to protect, advance, and educate restaurants, which, prior to the COVID-19 crisis, made up Texas’ second largest, and fastest growing, employment industry.

Since the COVID-19 pandemic crisis began, the TRA has worked round-the-clock to support all Texas’ restaurants and their employees. To ensure prompt and accurate information is shared, the TRA opened its members-only app to owners and employees of non-member restaurants. Working with the Governor, Lt. Governor, and Comptroller, the TRA secured restaurants sales tax relief in the form of a 90-day extension without penalty. To ease the impact of restaurants being forced to close dine-in and convert to delivery/takeout or close entirely, the TRA worked with the Governor and TABC. On March 19, sale of manufacturer-sealed alcohol was expanded from delivery-only to also include takeout / curbside. On March 24, Governor Abbott formally supported restaurants opening up as retail outlets to provide sales for restaurants and access to foodstuffs for customers at the TRA’s behest. Each night the last several weeks, the TRA sends a ‘daily recap’ summarizing key happenings of the day and providing Texas restaurants access to critical resources and up to the minute information.

About the TRA Education Foundation

Established in 1994 by the Texas Restaurant Association, the Texas Restaurant Association Education Foundation (TRAEF) is a 501(c)3 not for profit organization* focused on providing the necessary resources to help restaurateurs confront educational and labor challenges with the latest innovations in education, technology, and training. It is the workforce development arm of the Association.

The Foundation’s mission is to provide educational opportunities to build and maintain a strong professional foodservice workforce in Texas. The organization’s flagship program is Texas ProStart, an industry-based, two-year high school culinary arts and restaurant management curriculum. Texas ProStart is currently in more than 150 Texas high schools, reaching more than 15,000 students annually. The Foundation has partnered with KidsFit to bring students real-world culinary experience and encourage restaurants to offer an expanded menu with options that are child-friendly yet healthy. In collaboration with Feeding Texas, the TRAEF is working to expand training preparation for a variety of populations to find a career in the restaurant industry.

On March 23, 2020, the TRAEF established the TX Restaurant Relief Fund in response to the COVID-19 crisis to provide immediate financial support to independent restaurants.

* The Texas Restaurant Association Education Foundation 990 filing may be found on the IRS non-profit lookup website, or provided upon request.
Commonly Asked Questions

How much have you raised so far?
Per the Executive Summary, the Texas Restaurant Association Education Foundation (TRAEF) raised nearly $30,000 for TX Restaurant Relief Fund initiative in the first week. To satisfy the immediate needs of current grant applicants, the first $2.5 million of the Fund’s $10 million goal is required.

How many restaurants have applied for grants?
In less than the first 72 hours, more than 500 restaurants submitted grant applications to the TRAEF for the TX Restaurant Relief Fund initiative, representing $2.5 million in need. The TRAEF has suspended the acceptance of more grant applications until at least 25% of current approved applicants have received their grant funds.

How were you able to set up the fund so quickly?
As noted in the About the Association section, The Texas Restaurant Association Education Foundation is a 501(c)3 not for profit entity. Its mission is to be the workforce development arm of the Texas Restaurant Association. Initiatives include support for various populations, from students via Texas ProStart to adults of varied backgrounds via ServSuccess. Adding the TX Restaurant Relief Fund initiative to the work of the Foundation required no additional filings. The TRAEF is recognized as a public charity by the IRS and has a 2019 Gold Seal of Transparency on GuideStar by Candid. As the TRAEF does not raise funds for police/fire workers, civil works, or veterans affairs, the Foundation is not required to register its activities separately with the State of Texas.

Can you scale receiving funds, processing applications, and distributing grants?
The TRAEF supports more than 175 Texas high schools’ ProStart programs serving more than 15,000 students. Utilizing a simple common framework, receiving and processing donations/grants/gifts to support the hundreds, if not thousands, of independent restaurateurs in Texas becomes a relatively simple administrative task. The challenge is raising enough funds fast enough to financially support these restaurants before they are forced to permanently close.

Can we earmark funds to support both restaurants and feed first responders?
Some organizations are seeking to donate significant funds to support restaurants, and also provide food to first responders and hospital workers battling the COVID-19 pandemic. The TRAEF leadership will work with those organizations to determine the best method through which such an ‘added benefit’ as feeding those working to save lives can be implemented in concert with the TX Restaurant Relief Fund initiative. Grant amounts would need to account for food and labor costs to prepare and deliver the food while still providing the much needed financial support to the restaurant (keeping in mind that independent restaurants operate on razor-thin margins of 1-2%).
The Texas Restaurant Association Education Foundation is a 501(c)3 not-for-profit organization. Since the organization does not provide any goods or services in whole or partial consideration for contributions, the full amount of your donation is tax-deductible, subject to applicable laws and Internal Revenue Service (IRS) regulations.

For more information or to discuss financially supporting the TX Restaurant Relief Fund, please contact Joe Monastero, Chief Strategy & Operations Officer, at jmonastero@txrestaurant.org or (512) 537-0989.

To make large grants or gifts, please contact us for electronic wire instructions, or you may mail a check made payable to Texas Restaurant Association Education Foundation with TX Restaurant Relief Fund on the memo line to 3300 N. IH-35, Suite 610, Austin, TX 78705.

Donations may be made online for amounts up to $10,000 by visiting www.txrestaurant.org/TXRestaurantReliefFund.