

The Restaurant Revitalization Fund

March 2021

Overview: The Restaurant Revitalization Fund was established to provide federal grants to the hardest hit sector of the economy as a part of the American Rescue Plan President Biden signed into law on March 11th, 2021. Restaurants who have suffered from the pandemic and incurred revenue loss will have access to \$28.6 billion of grants allocated towards their revitalization. With \$5 billion available specifically to eligible small business restaurants with gross receipts in 2019 of not more than \$500,000.

Who Will Qualify:

Any eligible entities include:

- Restaurant
- Food Stand
- Food Truck / Cart
- Caterer
- Saloon
- Inn
- Tavern
- Bar
- Lounge
- Brewpub
- Tasting Room
- Taproom
- Other similar place of business in which the public or patron assemble for the primary purpose of being served food or drink

This also includes entities that are located in an airport terminal or that is a Tribally-owned concern.

It does not include any entity listed above that is a State or local government-operated business; as of March 13, 2020, owns or operates (together with any affiliated business) more than 20 locations, regardless of whether those locations do business under the same or multiple names; or has a pending application for or has received a Shuttered Venue Operators Grant.

Application and Certification:

Any eligible entity applying for a grant under this subsection shall make a good faith certification that

- The uncertainty of current economic condition makes necessary the grant request to support the ongoing operations of the eligible entity
- The eligible entity has not applied or received a Shuttered Venue Operators Grant.

Grant Amount:

Aggregate amount of grants made to an eligible Restaurant and any affiliated business of the eligible Restaurant shall not exceed \$10,000,000 and shall be limited to \$5,000,000 per physical location. The amount of a grant made to an eligible Restaurant shall be equal to the pandemic-related revenue loss of the eligible Restaurant.

In general, the amount of the grant will be determined by the difference between 2020 gross receipts as compared to 2019. Special calculations will be used for Restaurants not in operation for the entirety of 2019 or opened in 2020.

Eligible grant amount will be reduced by any Payroll Protection Program (PPP) Loans received.

Specific details on application process are not currently known. We expect the SBA to provide details in the near future.

Grant funds may be used for the following expenses incurred as a direct result of, or during, the COVID-19 pandemic:

- Payroll costs
- Payments of principal or interest on any mortgage obligation (which shall not include any prepayment of principal on a mortgage obligation)
- Rent Payments, including rent under a lease agreement (which shall not include any prepayment of rent)
- Utilities
- Maintenance expenses, including –
 - Construction to accommodate outdoor seating
 - Walls, floors, deck surfaces, furniture, fixtures, and equipment
- Supplies, including protective equipment and cleaning materials
- Food and beverage expenses that are within the scope of the normal business practice of the eligible Restaurant before the covered period
- Covered supplier costs
- Operational expenses
- Paid sick leave
- Any other expenses that the Administrator of the SBA determines to be essential to maintaining the eligible Restaurant.