# RESTAURANT REVITALIZATION FUND

Visit manchin.senate.gov/arp for more information.



The American Rescue Plan Act established the Restaurant Revitalization Fund (RRF) to provide funding to help restaurants and other eligible businesses keep their doors open. This program will provide restaurants with funding equal to their pandemic-related revenue loss up to \$10 million per business and no more than \$5 million per physical location. Recipients are not required to repay the funding as long as funds are used for eligible uses no later than March 11, 2023.

#### **SUPPLEMENTAL DOCUMENTS**

Restaurant Revitalization Fund program guide
Restaurant Revitalization Fund sample application (SBA Form 3172)

## **WHO CAN APPLY**

Eligible entities who have experienced pandemic-related revenue loss include:

- Restaurants
- Food stands, food trucks, food carts
- Caterers
- Bars, saloons, lounges, taverns
- Snack and nonalcoholic beverage bars
- Bakeries (onsite sales to the public comprise at least 33% of gross receipts)
- Brewpubs, tasting rooms, taprooms (onsite sales to the public comprise at least 33% of gross receipts)
- Breweries and/or microbreweries (onsite sales to the public comprise at least 33% of gross receipts)
- Wineries and distilleries (onsite sales to the public comprise at least 33% of gross receipts)
- Inns (onsite sales of food and beverage to the public comprise at least 33% of gross receipts)
- Licensed facilities or premises of a beverage alcohol producer where the public may taste, sample, or purchase products

## **HOW TO APPLY**

You can apply through SBA-recognized Point of Sale Restaurant Partners or directly via SBA in a forthcoming online application portal.

Registration with SAM.gov is not required. DUNS or CAGE identifiers are also not required.

If you would like to prepare your application, view the sample application form. You will be able to complete this form online. Please do not submit RRF forms to SBA at this time. Click here to view **SBA Form 3172**.

# Additional documentation required:

- Verification for Tax Information: IRS Form 4506-T, completed and signed by Applicant. Completion of this form digitally on the SBA platform will satisfy this requirement.
- Gross Receipts Documentation: Any of the following documents demonstrating gross receipts and, if applicable, eligible expenses
- Business tax returns (IRS Form 1120 or IRS 1120-S)
- IRS Forms 1040 Schedule C; IRS Forms 1040 Schedule F
- For a partnership: partnership's IRS Form 1065 (including K-1s)
- Bank statements
- Externally or internally prepared financial statements such as Income Statements or Profit and Loss Statements
- Point of sale report(s), including IRS Form 1099-K

## WHEN TO APPLY

## Priority period: Days 1 through 21

- SBA will accept applications from all eligible applicants, but only process and fund priority group applications. See "Priority groups" below.
- During this period, SBA will fund applications where the applicant has self-certified that it meets the eligibility requirements for a small business owned by women, veterans, or socially and economically disadvantaged individuals.
- See "Set asides."

## Open to all applicants: Days 22 through funds exhaustion

• SBA will accept applications from all eligible applicants and process applications in the order in which they are approved by SBA.

**Priority groups:** A small business concern that is at least 51 percent owned by one or more individuals who are:

- Women, or
- Veterans, or
- Socially and economically disadvantaged (see below).

# Applicants must self-certify on the application that they meet eligibility requirements

- **Socially disadvantaged individuals** are those who have been subjected to racial or ethnic prejudice or cultural bias because of their identity as a member of a group without regard to their individual qualities.
- **Economically disadvantaged individuals** are those socially disadvantaged individuals whose ability to compete in the free enterprise system has been impaired due to diminished capital and credit opportunities as compared to others in the same business area who are not socially disadvantaged.

#### **SET ASIDES**

- 1. \$5 billion is set aside for applicants with 2019 gross receipts of not more than \$500,000
- 2. An additional \$4 billion is set-aside for applicants with 2019 gross receipts from \$500,001 to \$1,500,000
- 3. An additional \$500 million is set-aside for applicants with 2019 gross receipts of not more than \$50,000
- \*SBA reserves the right to reallocate these funds at the discretion of the Administrator.

#### **FUNDING AMOUNT**

Payment calculations:

Calculation 1: for applicants in operation prior to or on January 1, 2019:

2019 gross receipts minus 2020 gross receipts minus PPP loan amounts

Calculation 2: for applicants that began operations partially through 2019:

• (Average 2019 monthly gross receipts x 12) minus 2020 gross receipts minus PPP loan amounts

<u>Calculation 3:</u> for applicants that began operations on or between January 1, 2020 and March 10, 2021 and applicants not yet opened but have incurred eligible expenses:

• Amount spent on eligible expenses between February 15, 2020 and March 11, 2021 minus 2020 gross receipts minus 2021 gross receipts (through March 11, 2021) minus PPP loan amounts

\*For those entities who began operations partially through 2019, you may elect (at your own discretion) to use either calculation 2 or calculation 3.

#### Maximum and minimum amounts

SBA may provide funding up to \$5 million per location, not to exceed \$10 million total for the applicant and any affiliated businesses. The minimum award is \$1,000.

#### **Gross receipts**

For the purposes of this program, gross receipts does not include:

- Amounts received from Paycheck Protection Program (PPP) loans (First Draw or Second Draw)
- Amounts received from Economic Injury Disaster Loans (EIDL)
- Advances on EIDL (EIDL Advance and Targeted EIDL Advance)
- State and local grants (via CARES Act or otherwise)
- SBA Section 1112 payments

# **ALLOWABLE USE OF FUNDS**

Funds may be used for specific expenses including:

- Business payroll costs (including sick leave)
- Payments on any business mortgage obligation
- Business rent payments (note: this does not include prepayment of rent)
- Business debt service (both principal and interest; note: this does not include any prepayment of principal or interest)
- Business utility payments

- Business maintenance expenses
- Construction of outdoor seating
- Business supplies (including protective equipment and cleaning materials)
- Business food and beverage expenses (including raw materials)
- Covered supplier costs
- Business operating expenses

# **GET HELP WITH YOUR APPLICATION**

- Call center support: 1-844-279-8898 (Hours: Monday-Friday 8am-8pm ET)
- Your local <u>SBA District Office</u>