



**Division of Small Business
& Technology Development**



Restaurant Revitalization Funding Program

An SBA grant program for Food establishments impacted by COVID-19

A Division of Empire State Development

4/20/2021

The Restaurant Revitalization Funding Program

The U.S. Small Business Administration (SBA) is awarding funding through the Restaurant Revitalization Funding Program to restaurants, bars, and other similar places of business that serve food or drink. The purpose of this funding is to provide support to eligible entities that suffered revenue losses related to the COVID-19 pandemic.

On March 11, 2021, **the American Rescue Plan Act (ARPA)** became public law (P.L. 117-2). Section 5003 **established the Restaurant Revitalization Fund and appropriated \$28.6 billion for SBA to award funds.** These appropriations remain available until expended. SBA will continue accepting applications subject to availability of funds.

Funds must be use during the period between February 15, 2020 and March 11, 2023. (the “Covered Period“)
(If the business permanently closes, the covered period will end when the business permanently closes or on March 11, 2023, whichever occurs sooner)

Access SBA’s webpage on the Restaurant Revitalization program [here](#).

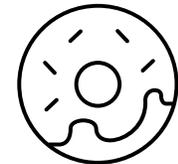
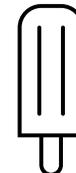
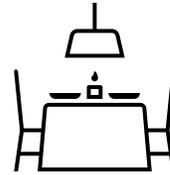


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Eligible Businesses

Eligible entities are businesses that are not permanently closed and include businesses where the public or patrons assemble for the primary purpose of being served food or drink including:

- Restaurants;
- Food stands, food trucks, food carts;
- Caterers;
- Bars, saloons, lounges, taverns;
- Licensed facilities or premises of a beverage alcohol producer where the public may taste, sample, or purchase products;
- Other similar places of business in which the public or patrons assemble for the primary purpose of being served food or drink;
- Snack and nonalcoholic beverage bars;
- Bakeries*;
- Brewpubs*, tasting rooms*, taprooms*;
- Breweries* and/or microbreweries*;
- Wineries* and distilleries*;
- Inns**.



**Bakeries, brewpubs, tasting rooms, taprooms, breweries, microbreweries, wineries and distilleries: In order to be eligible, these businesses must provide documentation with their application that on-site sales to the public comprised at least 33% of gross receipts in 2019. For businesses who opened in 2020 or that have not yet opened, the Applicant's original business model should have contemplated at least 33% of gross receipts in on-site sales to the public.*

*** Inns: To be eligible, these businesses must provide documentation with their application that on-site sales of food and beverage to the public comprised at least 33% of gross receipts in 2019. For businesses who opened in 2020 or that have not yet opened, the Applicant's original business model should have contemplated at least 33% of gross receipts in on-site food and beverage sales to the public.*



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General Eligibility Guidelines

- Businesses should be organized as **C Corporations, S-Corporations, Partnerships, Limited Liability Companies (LLC), Sole proprietors, Self-employed individuals, Independent contractors or Tribal businesses** (no non-profits).
- Applicants will **need a valid EIN, SSN or ITIN** (one grant per number).
- State and local government operated businesses are not eligible.
- Businesses must be **open, temporarily closed or opening soon** (with eligible expenses incurred as of March 11, 2021).
- Businesses **must have not filed for bankruptcy** (can be operating under an approved (confirmed) plan of reorganization under a Chapter 11, Chapter 12, or Chapter 13).
- As of March 13, 2020, own or operate (together with any affiliated business) 20 or fewer locations, regardless of name or type of business at those locations.
- Either did not apply for PPP, already received a PPP loan, or have a pending application for a PPP loan.
(note: upon applying for Restaurant Revitalization funding, Applicant should withdraw any outstanding PPP application; Applicant is verified using EIN/ITIN/SSN)
- **Cannot have received a Shuttered Venues Operators Grant** or have a pending application for a Shuttered Venues Operators Grant.
- Business **cannot be a publicly traded company**.
- If the Applicant is operating under a franchise or similar agreement that meets the Federal Trade Commission definition of a franchise in 16 CFR 436. The franchise must be listed on the SBA Franchise Directory with a franchise identifier code to ensure the franchise is eligible under SBA's other eligibility criteria (e.g., 13 CFR § 120.110).



How much can I qualify for?

- **SBA may provide funding of up to \$5,000,000 per location (not to exceed \$10,000,000 total for the Applicant and any affiliated businesses) for Applicants who meet eligibility requirements.**
- **The minimum funding amount will be \$1,000.**
- For purposes of calculating funding amount, “in operation” means the day the entity started making sales. This does not mean the day the Applicant registered with the Secretary of State to establish the Applicant’s legal entity (for example: if the Applicant formed the LLC on August 15, 2015 but didn’t make the first sale to a customer until January 1, 2016, the Applicant’s in operation date is January 1, 2016).
- For those entities who began operations partially through 2019, you may elect (at your own discretion) to use either calculation 2 or calculation 3 from the funding calculations below.
- Corrections following submission and pre-award funding will require Applicant to re-visit the application portal or call the support hotline to submit the correction, new documentation, and initiate a restart of the timeline for review and payment. Please note, if an applicant initiates a restart, it may take upwards of 14 days from the time of resubmission for SBA to finalize review of the application.
- **The SBA will NOT allow corrections to awards that have been paid to awardees.**



Calculation 1 - Applicants that were in operation (making sales) prior to or on January 1, 2019:

Step 1: Begin with **gross receipts as reported on the eligible entity's 2019 Federal tax return.**

Step 2: **Subtract 2020 gross receipts as reported or to be reported on the eligible entity's 2020 Federal tax return** or, if applying through a designated SBA point-of-sale restaurant partner, the gross receipts that are recorded with the point-of-sale partner. **Do not include any amounts** received from any Paycheck Protection Program (PPP) loan (First Draw PPP Loan or Second Draw PPP Loan), SBA Section 1112 payments, or from any SBA Economic Injury Disaster Loan (EIDL) loan, EIDL Advance, Targeted EIDL Advance, Randolph-Sheppard Act Financial Relief and Restoration Payments (FRRP) Appropriation or any state and local small business grants (via CARES Act or otherwise).

Step 3: **Subtract the aggregate original disbursement amount(s) of any PPP loan** (First Draw PPP Loan and Second Draw PPP Loan) received, regardless of whether received in 2020 or 2021. Do not include any amount that you repaid on or before May 18, 2020, in accordance with PPP safe harbor rules.

Step 4: If the total is more than \$5 million per physical location, reduce the amount to \$5 million per physical location. Your funding amount, together with your affiliates, may not exceed \$10 million. If the total is less than \$1,000, you are not eligible.



Calculation 2 - Applicants that were in operation (making sales) partially through 2019:

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

Step 1: Calculate your annualized 2019 gross receipts:

- Begin with gross receipts as reported on the eligible entity's 2019 Federal tax return.
- Calculate your 2019 average monthly gross receipts. *For example, if you opened your doors on October 15, 2019 (were in operation for 2.5 months) and your total 2019 gross receipts were \$25,000: Divide \$25,000 by 2.5 for a 2019 average monthly gross receipts calculation of \$10,000.*
- Multiply your 2019 average monthly gross receipts by 12. *For example, if your 2019 average monthly gross receipts was \$10,000, multiply \$10,000 by 12 to result in \$120,000.*

Step 2: Subtract 2020 gross receipts as reported or to be reported on the eligible entity's 2020 Federal tax return or, if applying through a designated SBA point-of-sale restaurant partner, the gross receipts that are recorded with the point-of-sale partner. **Do not include any amounts** received from any Paycheck Protection Program (PPP) loan (First Draw PPP Loan or Second Draw PPP Loan), SBA Section 1112 payments, or from any SBA Economic Injury Disaster Loan (EIDL) loan, EIDL Advance, Targeted EIDL Advance, Randolph-Sheppard Act Financial Relief and Restoration Payments (FRRP) Appropriation or any state and local small business grants (via CARES Act or otherwise).

Step 3: Subtract the aggregate original disbursement amount(s) of any PPP loan (First Draw PPP Loan and Second Draw PPP Loan) received, regardless of whether received in 2020 or 2021. Do not include any amount that you repaid on or before May 18, 2020, in accordance with PPP safe harbor rules.

Step 4: If the total is more than \$5 million per physical location, reduce the amount to \$5 million per physical location. Your funding amount, together with your affiliates, may not exceed \$10 million. If the total is less than \$1,000, you are not eligible.



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Calculation 3 - Applicants that began operations (making sales) on or between January 1, 2020, and March 10, 2021; and Applicants that have not yet opened for sales but as of March 11, 2021, have incurred eligible expenses:

Step 1: Start with the total amount you spent on eligible expenses incurred on or between February 15, 2020, and March 11, 2021. *Eligible expenses have the same definition as “Eligible Uses of Funds”.*

Step 2: **Subtract 2020 gross receipts as reported or to be reported on the eligible entity’s 2020 Federal tax return** or, if applying through a designated SBA point-of-sale restaurant partner, the gross receipts that are recorded with the point-of-sale partner. **Do not include any amounts** received from any Paycheck Protection Program (PPP) loan (First Draw PPP Loan or Second Draw PPP Loan), SBA Section 1112 payments, or from any SBA Economic Injury Disaster Loan (EIDL) loan, EIDL Advance, Targeted EIDL Advance, Randolph-Sheppard Act Financial Relief and Restoration Payments (FRRP) Appropriation or any state and local small business grants (via CARES Act or otherwise).

Step 3: **Subtract the aggregate original disbursement amount(s) of any PPP loan** (First Draw PPP Loan and Second Draw PPP Loan) received, regardless of whether received in 2020 or 2021. Do not include any amount that you repaid on or before May 18, 2020, in accordance with PPP safe harbor rules.

Step 4: If the total is more than \$5 million per physical location, reduce the amount to \$5 million per physical location. Your funding amount, together with your affiliates, may not exceed \$10 million. If the total is less than \$1,000, you are not eligible.



Eligible Uses of Funds

- **Business payroll costs**, including sick leave and costs related to the continuation of group health care, life, disability, vision, or dental benefits during periods of paid sick, medical, or family leave, and group health care, life, disability, vision, or dental insurance premiums;
- **Payments on any business mortgage** obligation (both principal and interest; this does not include any prepayment of principal on a mortgage obligation);
- **Business rent payments**, including rent under a lease agreement (this does not include any prepayment of rent);
- **Business debt service** (both principal and interest; this does not include any prepayment of principal or interest);
- **Business utility payments** for the distribution of electricity, gas, water, telephone, or internet access, or any other utility that is used in the ordinary course of business for which service began before March 11, 2021.
- **Business maintenance expenses** including maintenance on walls, floors, deck surfaces, furniture, fixtures, and equipment;
- **Construction of outdoor seating**;
- **Business food and beverage expenses**, including raw materials for beer, wine, or spirits;
- **Covered supplier costs**, which is an expenditure made by the eligible entity to a supplier of goods for the supply of goods that:
 - Are essential to the operations of the entity at the time at which the expenditure is made; and
 - Is made pursuant to a contract, order, or purchase order in effect at any time before the receipt of Restaurant Revitalization funds;
 - With respect to perishable goods, a contract, order, or purchase order in effect before or at any time during the covered period;



Eligible Uses of Funds (continued)

- **Business supplies:** including protective equipment and cleaning materials;
- **Business operating expenses:** defined as business expenses incurred through normal business operations that are necessary and mandatory for the business (e.g., rent, equipment, supplies, inventory, accounting, training, legal, marketing, insurance, licenses, fees). Business operating expenses do not include expenses that occur outside of a company's day-to-day activities.
- **Past-due expenses are eligible** if they were incurred beginning on February 15, 2020 and ending on March 11, 2023.

Timeframe for Using Funds:

- **Awardees must use all Restaurant Revitalization funds by March 11, 2023**, on eligible expenses incurred beginning on February 15, 2020, and ending on March 11, 2023. If the business permanently closes, the covered period will end when the business permanently closes or on March 11, 2023, whichever occurs sooner.
- **Awardees that are unable to use all Restaurant Revitalization funds on eligible expenses by the end of the covered period must return any unused funds to the government** (post award guidance to follow).

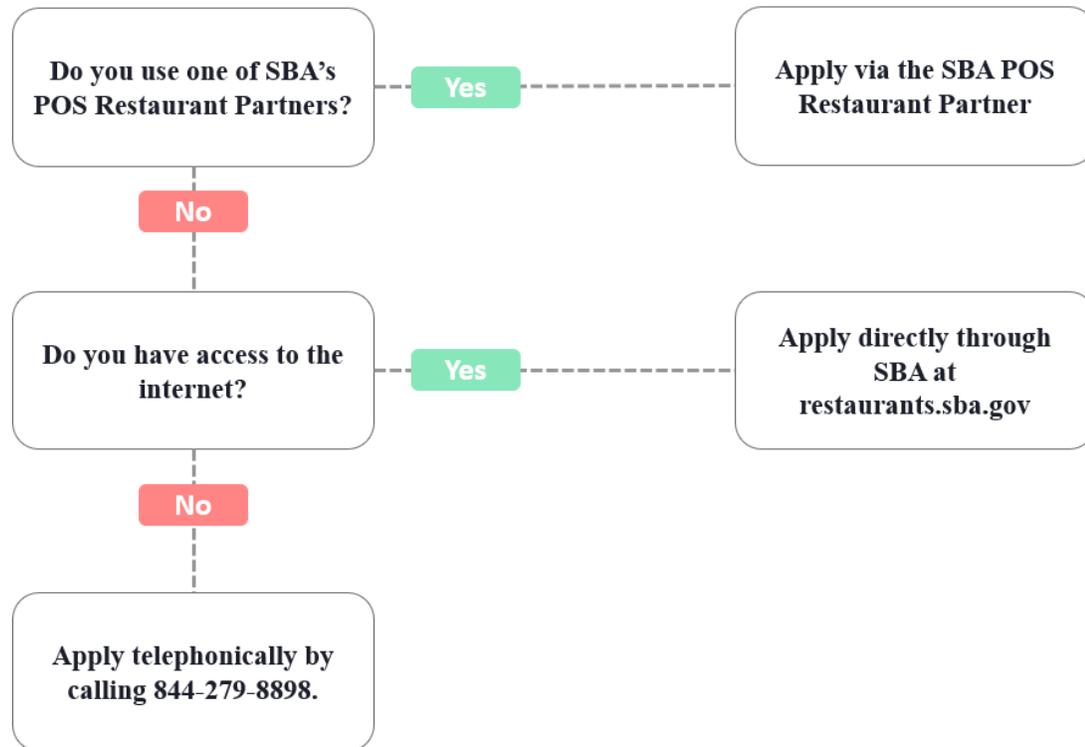


Use of Funds Validation

- All Applicants have until March 11, 2023, to use award funds.
- Not later than December 31, 2021, all Applicants are required to report through the application portal how much of their award has been used against each eligible use category.
- If the Applicant fully expends their funds prior to December 31, 2021, they will be asked to certify in the application portal that proceeds have been used on eligible expenses.
- All Applicants that do not fully expend award funds prior to December 31, 2021, will be required to complete annual reporting submissions until they fully expend the award funding, or the period of performance expires.
- SBA reserves the right to request supplemental documentation needed to validate the certification.



How to Apply for funding



1. If you currently use one of the SBA's Restaurant Partners, you can apply for funding through their website or secure portal. These partners developed capabilities to make it easier for applicants to calculate, validate, and submit applications to the SBA – this will save time in preparing and processing the application.
2. If you have access to the internet and will not apply through one of SBA's Restaurant Partners, visit restaurants.sba.gov to access the application platform.
3. Call (844) 279-8898 - Complete the application questionnaire and attestations with support agent. Completed application and signature documents mailed to Applicant. Applicant must mail fully executed and notarized application back to SBA (return address instructions included in mailed application)



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Set asides and Funding Priorities

To ensure that the smallest businesses and those in underserved communities receive funding awards, SBA has set-aside funds that are available only for certain applicants.

- **\$5 billion is set aside for Applicants with 2019 gross receipts of not more than \$500,000.**
- **An additional \$4 billion is set aside for Applicants with 2019 gross receipts from \$500,001 to \$1,500,000.**
- **An additional \$500 million is set aside for Applicants with 2019 gross receipts of not more than \$50,000.**

SBA will prioritize awarding funds to small businesses at least 51 percent owned and controlled by individuals who are women, veterans, and/or socially and economically disadvantaged individuals. Applicants in one of these categories that are operating under an approved plan of reorganization under either a Chapter 11, 12, or 13 bankruptcy and do not have a trustee exercising day-to-day control are eligible for funding under this program.

Applicants must self-certify on the application that they meet eligibility requirements for a small business concern owned by women, small business concern owned by veterans, or small business concern owned by socially and economically disadvantaged individuals.

SBA will consider an applicant to be eligible for priority in awarding funds if the Applicant is a small business that is at least 51 percent owned by one or more individuals who are women, veterans, or socially and economically disadvantaged and if the management and daily business operations of the applicant are controlled by one or more women, veterans, or socially and economically disadvantaged individual.



Required Documentation

- Applicants that were in operation prior to or on January 1, 2019, must supply at the time of application documentation of gross receipts for 2019 and 2020;
- Applicants that began operations partially through 2019 and use calculation 2 must supply at the time of application documentation of gross receipts for 2019 and 2020. Applicants that began operations partially through 2019 and use calculation 3 must supply at the time of application documentation of gross receipts for 2020.
- Applicants that began operations on or between January 1, 2020, and ending on March 10, 2021, and Applicants that have not yet opened as of March 11, 2021, but have incurred eligible expenses, must supply at the time of application documentation of gross receipts and eligible expenses for the length of time in operations.
- **For Applicants that are a brewpub, tasting room, taproom, brewery, winery, distillery, or bakery:** In addition to the documents for all applicants, documents evidencing that onsite sales to the public comprise at least 33% of gross receipts for 2019. These may include 2019 Tax and Trade Bureau (TTB) Forms filed, state or local government forms filed, or internally created reports from inventory management, sales reporting, or accounting software.
- **For Applicants that are an Inn:** In addition to the documents for all applicants, documents evidencing that onsite sales of food and beverage to the public comprise at least 33% of gross receipts for 2019. These may include internally created revenue reports or accounting reports.



Required Documentation (continued)

For all Applicants, the following documentation is required:

1. The application: **SBA Form 3172**, completed, initialed, and signed. Completion of this form digitally on the SBA Platform will satisfy this requirement.
2. 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.
3. **Gross Receipts Documentation:** Any of the following documents demonstrating gross receipts and, if applicable, eligible expenses:
 - Business tax returns (IRS Form 1120 or IRS Form 1120-S);
 - IRS Form 1040 Schedule C; IRS Form 1040 Schedule F;
 - For a partnership - partnerships 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.



Sample Application (SBA Form 3172)

U.S. SMALL BUSINESS ADMINISTRATION
RESTAURANT REVITALIZATION FUNDING APPLICATION

OMB Control No.: 3245-0421
Expiration Date: 10/31/2021

The purpose of the Restaurant Revitalization Fund (RRF) is to support the restaurant industry by providing funding to those that have suffered significant pandemic-related revenue loss. The RRF also includes specific requirements to ensure equitable distribution to small business concerns owned by women, veterans, and socially and economically disadvantaged Applicants.

This application is to be completed by applicants who are applying for funding under the Restaurant Revitalization Program. SBA is collecting the requested information to determine whether applicants are eligible for funding. Instructions and definitions are located at the end of this application.

SBA may provide funding of up to \$5,000,000 per location (not to exceed \$10,000,000 total for the Applicant and any affiliated businesses) for Applicants who meet certain conditions. The minimum award will be \$1,000; therefore, applications for less than \$1,000 will not be accepted. See application instructions for counting locations.

Awardees will not be required to repay funds received under the Restaurant Revitalization Program unless the funds were used for purposes other than for authorized purposes, if the funds were not used by March 11, 2023, or if applicable, the awardee permanently closed before using all funds on authorized purposes.

Your response to this application is required for SBA to make a determination regarding your eligibility.

Complete the entire application, placing your initials and signature where indicated. Submit your completed application and all required documentation to SBA. SBA may deny your application if it is incomplete or lacks required documentation.

Submission of the application does not guarantee approval of the application or an award of funds.

SBA Form 3172 (04-21) Page 1

Restaurant Revitalization Funding Application

Business Legal Name (if sole proprietor, enter first and last name): _____

"Doing Business As" Name if different than Business Legal Name: _____

Business Address (Street, City, State, Zip Code) For Applicants that conduct sales from permanent structures, enter the main location. For Applicants that operate mobile food trucks, carts, etc., enter the address of the business headquarters. Attach a separate sheet if necessary. P.O. Boxes are not permitted: _____

Business Tax Identification Number (EIN, SSN, ITIN): _____

ACH Information for account where funds are to be deposited:
Name of Lending Institution: _____
Routing Number: _____ **Account Number:** _____
Check one: Checking Account Savings Account

Applicant Ownership: List all owners of 20% or more of the equity of the Applicant. If no owner has at least 20% ownership of the Applicant, you must list enough owners whose combined equity represents at least 20% of the ownership of the Applicant. Listed equity does not have to total to 100% of ownership. Attach a separate sheet if necessary.

Owner #1 Name: _____

- Owner #1 Tax Identification Number (EIN, SSN, ITIN): _____
- Owner #1 Percentage of Ownership: _____ %
- Owner #1 Address: _____

Owner #2 Name: _____

- Owner #2 Tax Identification Number (EIN, SSN, ITIN): _____
- Owner #2 Percentage of Ownership: _____ %
- Owner #2 Address: _____

Owner #3 Name: _____

- Owner #3 Tax Identification Number (EIN, SSN, ITIN): _____
- Owner #3 Percentage of Ownership: _____ %
- Owner #3 Address: _____

Owner #4 Name: _____

- Owner #4 Tax Identification Number (EIN, SSN, ITIN): _____
- Owner #4 Percentage of Ownership: _____ %
- Owner #4 Address: _____

SBA Form 3172 (04-21) Page 2

Sample Document ONLY
subject to change
(Approximately 16 pages
including all disclosures
worksheets and instructions)

Visit:
[Restaurant Revitalization Fund \(sba.gov\)](https://www.sba.gov)
for the full application document



Division of Small Business & Technology Development

Free Assistance Preparing Applications

Free assistance to prepare and submit the grant application is available from:

- SBA Small Business Development Centers (SBDC):
<http://nysbdc.org/>
- Entrepreneurship Assistance Centers (EAC):
<https://esd.ny.gov/sites/default/files/EACContactListJuly2020.pdf>
- Community Development Financial Institutions (CDFI):
<https://esd.ny.gov/sites/default/files/CDFI%20List.pdf>
- Business Mentor NY COVID-19 Volunteer Task Force:
www.businessmentor.ny.gov
- ESD Small Business Division: <https://esd.ny.gov/doing-business-ny/small-business-hub>



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Supporting Small Business opportunity in New York State!

