

Restaurant Revitalization Fund (RRF)

In an effort to help restaurants and bars recover from the financial impacts of COVID-19, \$28.6 billion of the American Rescue Plan is allocated for a Restaurant Revitalization Fund (RRF). Patrick Kelley, associate administrator for the SBA's Office of Capital Access confirmed the Small Business Administration will begin taking applications in April. While we wait for the SBA to issue final guidance and instructions lets review the details of the plan.

Who is Eligible?

- Restaurants
- Inns
- Food Trucks
- Food Stands/Carts
- Caterers
- Taverns
- Tasting Rooms
- Lounges
- Bars
- Brewpubs
- Taprooms
- Saloons

Who is Not Eligible?

Businesses that are state or local government-operated, publicly traded or have 20 locations or more are not eligible. Those who have already applied for the Shuttered Venue Operators Grant are also ineligible for RRF funding.

How Much Funding Can a Business Receive?

\$5 million per location, up to 20 locations and a max of \$10 million in total.

How do I Calculate the Amount my Business is Eligible to Apply For?

Grants are calculated differently based on how long a restaurant has been open and the PPP loans they might have already received. For example, for established restaurants that opened in 2018 or earlier, grants are calculated by subtracting a business' 2020 revenue from their 2019 revenue, and also subtracting first- and second-draw PPP loans received in 2020.

For restaurants that opened in 2019, the average of 2019 monthly revenues is multiplied by 12 minus the average of 2020 monthly revenues multiplied by 12, and the first- and second-draw PPP loans received are also subtracted.

Restaurants that opened in 2020 are eligible to receive funding equal to the "eligible expenses incurred" minus their first- and second-draw PPP loans received last year. Restaurants that have not yet opened are also eligible and can receive "funding equal to eligible expenses incurred before the date of enactment."

How Can the Funds Be Used?

- Payroll costs
- Utilities
- Food and beverage expenses
- Paid sick leave
- Covered supplier costs
- Maintenance expenses
- Payments of principal or interest on any mortgage
- Any other expenses the SBA determines is essential to maintaining the eligible business
- Operational expenses
- Supplies, including PPE
- Rent payments (not including pre-paid rent)

More Good News!

Although certain limitations do exist, the RRF can be taken in addition to the two rounds of PPP, EIDL and the Employee Retention Credit. For more information visit: the [SBA](#) or subscribe to the [News & Information](#) page on our website for updates.

Important Note

Applications from food service operations controlled by women, veterans, and socially and economically disadvantaged individuals will receive priority before the program opens to a wider rollout.

How to Apply.

Apply online through the SBA portal:
<https://www.sba.gov/funding-programs/loans/covid-19-relief-options>.

The application process has not opened yet. It is expected to open this month.