

Federal COVID-19 Relief Grants to Restaurants of up to \$10M will soon be available through the SBA

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The following article provides additional information regarding government relief grant money that is available to hospitality businesses who suffered lost profits in 2020 due to COVID-19. Click here to view the original post on this topic.

Additional federal grant money will soon be available to restaurant businesses. On Thursday, March 11, 2021, President Joe Biden signed the American Rescue Plan Act ("ARPA") into law, which appropriates \$1.9 trillion in relief and economic stimulus for those affected by the coronavirus.

The ARPA creates a 28.6 billion dollar Restaurant Revitalization Fund for fiscal year 2021 to help struggling restaurants. The Fund will be administered by the SBA. Although the ARPA is already a law, the SBA has not listed the Fund on its database of "COVID-19 Funding Sources" and there still isn't a link to apply for money.

WHO IS ELIGIBLE?

- A restaurant, food stand, food truck, food cart, caterer, saloon, inn, tavern, bar, lounge, brewery, tasting room, taproom, and licensed facility or alcohol manufacture;
- Businesses with fewer than 21 locations as of March 13, 2020, whether or not the locations do businesses under the same name;
- Businesses that have not applied for the Economic Aid to Hard-Hit Small Businesses, Non-Profits and Venues Act;
- Businesses that are not owned by a state or local government; and
- Non-publicly traded businesses.

HOW MUCH?

The maximum amount given to any eligible business is \$10 million, and will be limited to \$5 million per physical location of the business. Grants can be spent on eligible expenses (below) from 2/15/20 through 12/31/21 and the government may extend the period for two years.

WHAT CAN GRANT MONEY BE USED FOR?

(1) payroll costs; (2) mortgage payments; (3) rent; (4) utilities; (5) maintenance expenses; (6) supplies; (7) food and beverage expenses; (8) covered supplier costs; (9) operational expenses; (10) paid sick leave; and (11) any other expense determined to be essential to maintaining the business. It is anticipated that the SBA will publish regulations on eligible expenses.

WHAT IS REQUIRED TO APPLY FOR A GRANT?

- IRS tax form W9 with taxpayer identification number or federal employer identification number;
- Electronic copy of 2019 Business Tax Return, if the return exists, or gross receipts by quarter for 2019;
- Electronic copy of 2020 Business Tax Return, if the return exists, or gross receipts by quarter for 2020;

- Data Universal Numbering System (DUNS) number; and
- Registration with the System for Award Management.

GETTING STARTED

If you are interested in learning more about how your business could benefit from this program, contact Daniel Conlon for a consultation.

For more information on the COVID-19 Hospitality Industry Recovery Program or other COVID-19 business solution topics, Contact Daniel Conlon at dconlon@tuckerlaw.com , Evan Pappas at epappas@tuckerlaw.com or access Tucker Arensberg's recent articles regarding pandemic business solutions at: <https://www.tuckerlaw.com/category/covid-19-answers-to-business-challenges>