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Order up! Restaurant Revitalization Fund finally accepting applications May 3rd

By David Kaufman, Janet Garetto, and Eliza Davis

The U.S. Small Business Administration (SBA) has announced that the long-awaited Restaurant Revitalization Fund (RRF), aimed at providing economic relief to the restaurant industry, will finally start accepting applications at noon Eastern on May 3, 2021. The RRF is part of the American Rescue Plan Act signed by President Biden in March. It provides for \$28.6 billion in grant money for an industry devastated by pandemic-related restrictions. Nixon Peabody LLP previously wrote about the program in our alert "[Relief for restaurants on order.](#)"

Importantly, registration opens for applicants on Friday, April 30, 2021, at 9:00 a.m. Eastern. This simply entails registering an account at [sba.gov](https://www.sba.gov). Applicants are strongly encouraged to register early to ease the application process.

Beginning on May 3, 2021, all applicants can apply directly at restaurants.sba.gov. Under a novel initiative, restaurants can also apply via their point-of-sale (POS) service provider platforms, including CLOVER[®], NCR Corporation, SQUARE[®], and TOAST[®]. Applicants can also call (844) 279-8898 to start the application process. However, **for the first 21 days**, the SBA will distribute funds only for approved applications from businesses owned by women, veterans, or socially and economically disadvantaged individuals. Applicants are expected to self-certify and eligible applicants must meet a 51% ownership threshold by individuals in the above groups to qualify. After the first 21-day priority period, applications will be funded on a first-come, first-served basis.

Furthermore, the SBA has set-aside RRF funds based on business revenue, attempting to target relief to the smallest businesses. Specifically, \$5 billion in aid is set aside for applicants with 2019 gross receipts of not more than \$500,000, \$4 billion for 2019 gross receipts from \$500,001 to \$1,500,000, and \$500 million for applicants with gross receipts of not more than \$50,000 for 2019.

The maximum RRF grant amount is \$10 million for an eligible entity and any affiliated businesses—such as a restaurant group. In addition, a maximum of \$5 million per physical location of an eligible entity applies.

The SBA has provided guidance through its Program Guide indicating the bakeries; brewpubs, tasting rooms, and taprooms; breweries and/or microbreweries; wineries and distilleries; and inns

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eligible for funding under specific criteria. That criteria includes the mandate that on-site sales of food and beverage to the public comprised at least 33% of gross receipts in 2019 or contemplated for 2020.

A link to a sample application (SBA Form 3172) is [here](#). Also, a Program Guide about the RRF produced by the SBA can be found [here](#).

There are additional details regarding calculating the actual grant amount and uses of funds included in the Program Guide and sample application. Nixon Peabody LLP has been tracking these developments and is here to help navigate businesses through the process of this important government program.

For more information on the content of this alert, please contact your Nixon Peabody LLP attorney or:

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