

Hilliard Development Corporation

Hilliard Restaurant Recovery Program Guidelines

OVERVIEW

The Hilliard Restaurant Recovery Program is designed to support restaurants, bars, coffee shops and other food service businesses that were negatively impacted by COVID-19. Funding is available from the City of Hilliard's American Rescue Plan Act of 2021 allocation, also called the COVID-19 Stimulus Package or American Rescue Plan, Pub L. No. 117 ("ARPA"). In collaboration with the Hilliard Development Corporation, this program provides a grant of up to \$10,000 for full-service restaurants and \$5,000 for other food or beverage service businesses.

ELIGIBILITY

The Hilliard Development Corporation (HDC), will provide reimbursement grants for expenses incurred after March 1, 2020. Only restaurants, bars, coffee shops and other food service businesses within the corporate limits of the City of Hilliard are eligible to apply.

To qualify for funding, small businesses must meet the following requirements:

- Must be a for-profit business;
- The applicant business is classified under NAICS Codes generally starting with 722, and is one of the following:
 - Food Service Contractors
 - Caterers
 - Bars
 - Entertainment Venues
 - Breweries/Wineries/Distilleries with on-site drinking and/or dining
 - Full-Service Restaurants (as defined under NAICS 722110)
 - Limited-Service Restaurants
 - Coffee Shops and specialty snack
- The applicant business experienced a reduction in net income in 2020 at its Hilliard location as a result of COVID-19, and a grant is necessary to help it recover from the impact of COVID-19. For more information on calculating net income reduction, please see "Revenue Reduction" below.
- Must not be part of a national chain unless the business is owned by a franchisee with no more than two locations;
- Must have been in operation prior to March 1, 2020;
- Must have fewer than 20 full-time equivalent W-2 employees (a full-time equivalent employee is equal to 2,080 works hours per year);
- Must not be permanently closed and must intend to continue its business operations following the COVID-19 pandemic;
- Must be current on all municipal income tax obligations, and property tax obligations and without any outstanding City Code violations;
- Must be open to all without regard to race, sex, sexual orientation, gender identity or

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expression, color, religion, ancestry, national origin, age, disability, marital status, familial status, or military status

- The business shall not be owned or controlled by a City of Hilliard employee, elected official, or an immediate family member of a City of Hilliard employee or elected official.

GRANT AMOUNT

Grants are available to cover up to reimburse eligible project costs, not to exceed actual revenue loss or **\$10,000** for full-service restaurants (as defined under NAICS 722110) and **\$5,000** per other event, food or beverage service business. Grants are available on a first-come, first-served basis until funding is depleted.

REVENUE REDUCTION

Applicant businesses must provide evidence to show a revenue reduction of at its Hilliard location to be eligible for the Restaurant Recovery Program. An applicant's revenue will be calculated by HDC after collecting information from the business to determine the total amount of gross sales/receipts (before taking into account any business costs incurred) for calendar year 2019 and the total amount of gross sales/receipts for calendar year 2020. HDC will then determine the average monthly revenue amount for calendar year 2019 which will be compared to the average monthly revenue amount for calendar year 2020. The resulting revenue reduction percentage will be rounded to the nearest whole number. For businesses that began incurring sales/revenue after January 1, 2019 but before December 1, 2019, the average monthly gross sales/receipts for calendar year 2019 will be prorated based on the number of months the applicant business was in operation in 2019.

TAX CONSEQUENCES

IRS guidance indicates that grant funds derived from ARPA are included in gross income. The City of Hilliard and Hilliard Development Corporation do not provide tax advice and have no responsibility for any tax liability or other tax-related consequence of an applicant's acceptance of grant funds.

ELIGIBLE PROJECTS

- Temporary signage for the purpose of advertising services available during the public health crisis. To be eligible, the sign must comply with the City Manager's March 17, 2020, order regarding enforcement of Chapter 1129 of the Hilliard Codified Ordinances and must otherwise comply with applicable sections of the Codified Ordinances that were not expressly modified. Below is a general list of the eligible signage:
 - Window signs and graphics
 - Sandwich board signs
 - Banners
 - Yard signs
- Capital costs associated with altering operational spaces to accommodate social

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distancing recommendations due to the COVID-19 crisis.

- Eligible capital expenses may include physical improvements that will allow local businesses to meet new health and safety requirements due to the COVID-19 crisis including new permanent outdoor eating areas, equipment, etc.
- Personal protective equipment to protect employees, customers, or clients from COVID-19.
- Mortgage or rent payments for business premises (personal residences explicitly excluded).
- Utility payments (excludes utilities for personal residences and cellular phones).
- Salaries, wages, or compensation paid to employees
- Business supplies or equipment

INELIGIBLE COSTS

- Severance pay
- Expenses for costs outside of the City of Hilliard
- Costs incurred for federal, state, or local tax obligations.
- Costs incurred for non-business purposes.
- Costs incurred for political purposes.
- Bonuses or increased compensation for business owners.
- Costs incurred for which the business has or will receive reimbursement from another source, including any other federal, state or local government loan or grant program and insurance proceeds.

GRANT REQUIREMENTS

Grants must be used for eligible expenses directly related to effects of the COVID-19 pandemic emergency, and the grant funds must be applied toward their operations within the City of Hilliard corporation limits. The applicant shall comply with all state and federal orders in response to COVID-19, applicable provisions of the Hilliard Codified Ordinances and the Ohio Building Code. Businesses or individuals cited for violating a state or federal COVID-19 order are ineligible. A conviction of a criminal offense is not necessary for a business or individual to be considered as violating the state or federal COVID-19 order.

Applicants have 30 days from the HDC award e-mail response to submit for reimbursement. HDC will notify the applicant its approval or denial.

GRANT PROCESS

Step 1 – Grant Application - The applicant must submit the application and income verification documentation by e-mail to business@hilliardohio.gov. HDC will notify the applicant by e-mail of its approval or disapproval.

- **Income Verification Documentation.** To document 2019 and 2020 gross

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sales/receipts for its Hilliard location applicants must provide, business annual tax returns and/or audited/reviewed/compiled annual financial statements.

Step 2 – Reimbursement

Applicants must submit the following information within 30 days of the HDC application notice by e-mail to business@hilliardohio.gov or in-person/by mail to:

Hilliard Development Corporation
3800 Municipal Way
Hilliard, Ohio 43026

- Eligible third-party receipts or invoices that match the project description and final budget; and
- Completed W-9.

HDC will review the receipts and invoices and mail the rebate check.

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