

City of McHenry Restaurant and Tavern Relief Fund

General Information

Desired goals to be achieved through this program

- Assist businesses who have been impacted by business interruption
- Keep businesses operating for the long-term
- Assist businesses with working capital to meet necessary operating expenses
- Provide short-term operating cash assistance
- Determine how businesses are/have been impacted

Project Guidelines and Basic Eligibility under the program

- Cannot be used for bonuses or incentives
- Grants will be between \$5,000 and \$40,000
- Applicant must be a bar or a restaurant
- Applicant must have experienced a decrease in revenue in 2020 (March-September) compared to the same (year-to-date) time period in 2019 (March-September)

Ineligible Uses

- Private club or business that limits membership for reasons other than capacity
- A business that has already received assistance or notice of award of assistance under the Illinois Business Interruption Grant (BIG) Program
- A government-owned business entity
- A business that derives at least 33% of its gross annual revenue from legal gambling activities
- Nationally-branded restaurants and taverns

Application Process

- Submittal of completed grant application documents
- Submittal of Business Certification and Requirements Form
- ST-1 Sales and Use Tax Forms from March-September 2019 and March-September 2020
- Applications to be reviewed by City (Director of Economic Development, City Administrator, Director of Parks and Recreation, Mayor and Director of Finance)

Approval Criteria

- Sufficient demonstration of impact by cost of business interruption
- The expense is connected to the COVID-19 emergency.
- The expense is “necessary”.
- The expense is not funded thru another budget line item, allotment or allocation, as of March 27, 2020. The expense is not being reimbursed through a different emergency response program.
- The expense wouldn’t exist without COVID-19 OR would be for a “substantially different” purpose.
- The expense was incurred between March 1, 2020 and December 30, 2020. “Incurred” means the cost of “business interruption” was incurred by the qualifying business during the above period. Payment to the business need not be made during this time, but must be made by January 31, 2021
- Restaurants and taverns are requested to demonstrate losses by contrasting revenues to the same 7-month time period of March to September in 2019 and 2020. This is to be shown by submitting the same monthly ST-1 Sales and Use Tax Forms that were submitted to the State of Illinois for each month from March to September in 2019 and March to September in 2020. Sales should be isolated at a McHenry location only.

Priority Uses

- Restaurants
- Taverns