

## Black Restaurant Fund FAQs

### 1. How does the initiative help small businesses?

This initiative is an unsecured financing program focusing on Black-owned restaurants or food service businesses. The funds enable business owners to cover costs related to business growth and expansion plans or necessary technology, infrastructure, insurance, or certification expenditures that will help stabilize the business and create opportunity for additional revenue streams.

### 2. What type of financial resources does the initiative offer?

The initiative aims to provide growth capital ranging from \$25,000 to \$250,000 in size. This funding is similar to an equity investment, but without the owner surrendering control or an ownership stake in their business. Growth capital is a patient, low cost, revenue-based financing product designed to allow business owners the time they need to invest in and stabilize their business before repayment begins. Unlike a traditional loan product, growth capital does not have fixed repayment terms. Instead, business owners begin repaying a percentage of their revenue each quarter, once their business plan proves successful. If a business does not succeed in growing, growth capital will not need to be repaid. By successfully taking and repaying a growth capital investment from LISC, business owners will allow LISC to invest in even more Black-owned businesses.

### 3. Who is eligible for the program?

This program is open to restaurants and food services businesses nationally. Additionally, focus will be given to businesses with:

- a. Annual revenues above \$250,000 and below \$3,000,000
- b. Black-owned businesses
- c. 2 years or more in business
- d. Restaurants registered on Uber Eats
- e. *Sole proprietors and nonprofit organizations are not eligible for the program.*

### 4. How is this financing structured?

LISC will fully fund a growth or expansion plan, up to \$250,000. The business will have a minimum of one year before repayment begins. After one year, the investment will start to repay one quarter after the business hits pre-agreed revenue targets. The business will pay a

share of its revenue, as long as revenues are greater than revenues at time LISC provides funding plus the LISC investment amount. The revenue share split will be based on a three-year par recovery of the investment. However, the business will make payments to LISC through the earlier to occur of (x) full repayment to LISC of its revenue share or (y) five years from LISC's investment. After the end of the investment term, the business will not be required to make further payments to LISC. The revenue share will be capped at a multiple of 1.5X LISC's original investment.

**5. How can a small business determine if they are a good candidate for this initiative?**

All interested small businesses should assess their own eligibility by thoroughly reviewing the full FAQ and program description, including the eligibility requirements. If eligible, interested businesses may add themselves to our distribution list and be notified when the program is live.

**6. Can a business owner express interest in this initiative for multiple businesses?**

Business owners may express interest for just one business at a time and must be at least 18 years of age to inquire about participating.

**7. How will a business be contacted if selected to receive growth capital?**

LISC will primarily utilize email to communicate with all prospects. Be sure to check your email regularly, including spam folders. Email updates will come from the LISC Strategic Investments Growth Capital email address: [SIGrowthCapital@lisc.org](mailto:SIGrowthCapital@lisc.org).

**8. What documentation will be required?**

Businesses seeking growth capital will need to be prepared to submit at minimum:

- a. Business/growth plan that outlines plans for expansion and job creation
- b. Business and Owner Tax Returns
- c. Interim Business and Owner Financial Statements (P&L and Balance Sheet)
- d. Business Debt Schedule
- e. Articles of Incorporation (Corporation) or Organization (LLC)
- f. Certificate of Good Standing

Financing will be made to qualified businesses, and eligibility is based on accurate and complete submissions. LISC may conduct a background search at our expense and request the submission of additional information to include verification information such as date of birth, SSN, TIN/ITIN, EIN, W-9 and appropriate banking information in order to receive funds.

**9. What additional monitoring and reporting will be required?**

LISC will monitor and conduct evaluation activity and program reports of any funds issued throughout the program. This will involve a review of quantitative or qualitative data needed to understand the impact of the initiative. Furthermore, current directors, officers, employees and contractors of LISC and such individuals' family members (spouse, parents, children, grandchildren, great-grandchildren, and spouses of children, grandchildren, and great-grandchildren) are not eligible to apply or seek an award. In addition to verifying there is no such conflict with LISC, prospective program participants will need to similarly establish that s/he does not have a conflict with Uber, the funder of this program

**10. What other supports for small businesses does LISC provide?**

LISC is committed to sharing resources and services that support small businesses throughout the country. Visit [lisc.org/small-business](https://lisc.org/small-business) to learn more.

**11. How do I know if the information I submit is secure?**

Information provided to LISC is the responsibility of each business owner. Information submitted to LISC will remain confidential to the general public and any fellow applicants. Applicants will not hold LISC, its affiliates, members, partners, and staff liable for any losses, damages, costs, or expenses of any kind relating to the use or the adequacy, accuracy, or completeness of any information loaded in the form. See [LISC's Privacy Policy](#) for more details. Data entered online utilizes a secure form via Form Assembly. [More info](#).

**12. Have additional questions?**

LISC monitors inquiries sent to [SIGrowthCapital@lisc.org](mailto:SIGrowthCapital@lisc.org) and will post answers to new frequently asked questions (FAQ) on this page in an effort to support transparency and equal access to information for all interested businesses. Business candidates are encouraged to check the FAQ regularly for updates.