

MontcoStrong 2021 Pennsylvania Hospitality Industry Recovery Program

February 2021

Introduction

The Commonwealth of Pennsylvania has allocated \$145 million to counties for a grant program to provide financial relief to businesses with a primary activity in NAICS Code subsector 721 (Accommodations) and 722 (Food Service and Drinking Places) per Senate Bill 109, known as Act 1 of 2021, signed by Governor Wolf on Friday, February 5th, 2021. Montgomery County is receiving approximately \$9.4 million in funding to provide grants to eligible businesses through this program. The eligibility, application requirements, and program design, and program administration are all developed from the text of Act 1 of 2021.

The application window for this program will open at **Noon on Friday, March 12th, 2021** and remain open until all available grant funds have been awarded as stipulated by the legislation. The Redevelopment Authority of Montgomery County is the administrative entity for this program as the Certified Economic Development Organization (CEDO) component entity of the Montgomery County Commerce Department.

Program Eligibility

Eligible applicants must meet the following criteria:

- Applicant entities may apply for one grant for one business location in Montgomery County, Pennsylvania.
 - o A single entity with multiple locations, such as an incorporated business owning two donut shops, may only apply and utilize grant funds for one location in Montgomery County, Pennsylvania.
- Must have a business location in Montgomery County, Pennsylvania that was in operation as of February 15th, 2020, remains in operation, and does not intend to permanently cease operations within one year of the date of application.
- Is not a publically traded entity.
- The primary activity of the business within the Commonwealth of Pennsylvania has a NAICS designation within the Accommodation subsector (721) or Food Services and Drinking Places subsector (722). A full description of the eligible businesses and business activity under NAICS subsector 721 and 722 can be found in Appendix B of the guidelines.
 - o Primary activity is defined as the primary means by which the business generates revenue. For example, a business that serves food, but is a venue engaged primarily in another activity, such as a movie theater, would not be eligible to apply.
- Has fewer than 300 full-time equivalent employees currently and had fewer than 300 full-time equivalent employees during 2019. For purposes of determining the number of full-time equivalent employees, the calculation shall include each employee of the eligible applicant notwithstanding whether the eligible applicant has employees at multiple locations.
- Has a maximum tangible net worth of not more than \$15,000,000 computed in accordance with generally accepted accounting principles. This is per individual business, not in whole for an individual and/or entity.

(Program Eligibility – continued)

- Must have a demonstrable & documented financial impact (applicants will need to submit appropriate supporting documentation) from COVID-19 of at least 25% of revenue, defined as a reduction in revenue in calendar year 2020, in **one** of the following ways:
 - a. The applicant had gross receipts during the first, second, third or fourth quarter in calendar year 2020 that demonstrate at least a 25% reduction from the applicant's gross receipts during the same quarter in calendar year 2019. The applicant will need to submit a 2019 tax return and a Profit & Loss statement from a quarter in 2019 and the corresponding quarter in 2020 to meet the requirements of this criteria. Applicants are strongly encouraged to submit a full 2019 and full 2020 P&L statements to demonstrate the total revenue loss if the business was in operation for all of 2019 and 2020.
 - b. If the applicant was not in business during the first or second quarter of calendar year 2019, but was in business during the third and fourth quarters of calendar year 2019, the applicant had gross receipts during the first, second, third or fourth quarter of calendar year 2020 that demonstrate at least a 25% reduction from the applicant's gross receipts during the third or fourth quarter of calendar year 2019. The applicant will need to submit a 2019 tax return and a Profit & Loss statement from a quarter in 2019 and the corresponding quarter in 2020 to meet the requirements of this criteria.
 - c. If the applicant was not in business during the first, second or third quarter of calendar year 2019, but was in business during the fourth quarter of calendar year 2019, the applicant had gross receipts during the first, second, third or fourth quarter of calendar year 2020 that demonstrate at least a 25% reduction from the fourth quarter of calendar year 2019. The applicant will need to submit a 2019 tax return and a Profit & Loss statement from a quarter in 2019 and the corresponding quarter in 2020 to meet the requirements of this criteria.
 - d. If the applicant was not in business during calendar year 2019, but was in operation on February 15, 2020, the applicant had gross receipts during the second, third or fourth quarter of calendar year 2020 that demonstrate at least a 25% reduction from the gross receipts of the entity during the first quarter of calendar year 2020. The applicant will need to submit a Profit & Loss statement from the first quarter of 2020 and from a corresponding quarter in 2020.
 - e. An applicant that was in operation in all four quarters of calendar year 2019 is deemed to have experienced the revenue reduction in subparagraph (a) if the applicant experienced a reduction in annual receipts of at least 25% in 2020 compared to 2019 and the applicant provides copies of its annual 2019 and 2020 Federal tax forms substantiating the revenue decline (again, applicants are strongly encouraged to submit a full 2019 and full 2020 P&L statements to demonstrate the total revenue loss if the business was in operation for all of 2019 and 2020).
 - i. If an applicant changed ownership or control in calendar year 2020, the applicant may measure its reduction in revenue in calendar year 2020 under any of the above using the gross receipts of the entity for 2019.
- Is current with all taxes owed to any local, county, state, or federal taxing authority/entity.
 - o For eligible entities in NAICS subsector 721, this includes being current with the required remittance of the County Hotel Occupancy Tax to the Montgomery County Treasurer's Office.
- For entities in NAICS subsector 722, it is required that in addition to the above the license to operate a food facility issued by the Montgomery County Office of Public Health must not be expired more than 30 days from the date of application.

Please note, the eligibility parameters for this program are based, in part, on Act 1 of 2021 as signed into law by Governor Wolf on February 5th, 2021.

Grant Awards & Eligible Use of Grant Funds

Grant awards will be determined based upon eligible operating expenses. Act 1 of 2021 requires grants to be awarded in increments of \$5,000 up to \$50,000. Eligible applicants must submit documentation to justify their grant request in full up to \$50,000 with the following exception:

- Eligible applicants that have been awarded a MontcoStrong 2021 Restaurant Grant Program grant in 2021 may only apply for up to \$40,000.

The Redevelopment Authority of Montgomery County may determine the amount of funds awarded to be less than the amount an applicant applies for. Also, please note that awards must be increments of \$5,000. As an example, if an eligible applicants submits an application with \$37,600 in eligible expenses the grant award would be for a maximum of \$35,000.

Grant funds may be used for eligible expenses incurred and paid between March 1, 2020 up to the date of application. Eligible expenses are defined as an operating expense, including a payroll and non-payroll expense that is both ordinary and necessary. An ordinary expense is one that is common and accepted in an eligible applicant's industry. A necessary expense is one that is helpful and appropriate for an eligible applicant's trade or business. For purposes of determining an eligible operating expense, the following limitations shall apply:

- For a mortgage obligation, the mortgage must have been in force before February 15, 2020.
- For rent, under lease agreements, the lease agreement must have been in force before February 15, 2020.
- For utility costs, service must have begun before February 15, 2020.
- If an existing mortgage obligation or lease agreement in force before February 15, 2020, is refinanced or restructured after February 15, 2020, the mortgage obligation or lease agreement is deemed to have been in force before February 15, 2020.

Awardees must certify that grant funds are not being used for any eligible operating expenses that are impermissible per Act 1 of 2021 as described below in addition to the other prohibitions detailed in the program guidelines and program grant agreement:

- Eligible operating expenses for which an eligible applicant receives or received payment, reimbursement, and/or loan forgiveness from the following sources:
 - o Any MontcoStrong Grants received in 2020 or 2021.
 - o Any PA Small Business Grant Program of 2020 administered by the CDFI Network.
 - o Any US SBA EIDL and PPP funds.
 - o Any of public sector funding due to COVID-19 from any sources public or private between March 1st, 2020 through the date of application for this program as described in Act 1 of 2021.
- Providing funds, directly or indirectly, for a dividend distribution, return of capital, or otherwise to owners, partners or shareholders of the business enterprise.
- Payments to 1099 employees and/or those identified as subcontractors.
- The payment of any local, school district, county, state, and/or federal tax obligations (including the remittance of Sales Tax, the Hotel Occupancy Tax, or any other tax obligations to a government entity).
- To finance a business, project, activity, and/or location primarily located outside the geographic boundaries of Montgomery County, Pennsylvania.
- The purchase of items or services not expressly listed in the program guidelines or permissible for the grant agreement.
- Any business activities not otherwise specified as allowable costs per the grant agreement.

Application Process and Requirements

To apply, eligible businesses will be required to complete an online application – the online application and other program information can be www.montcopa.org/PAHIRP. The online application will not be available prior to **Noon on Friday March 12th, 2021**; applications may not be submitted online prior to the specified date and time. Applications will be accepted until all grant funds are awarded. This is not a first come, first served/funded program; applicants should take time to ensure they have all materials required to apply before submitting an application and submit a thorough, thoughtful, and accurate application.

Applicants will be required to provide general information including:

- Physical location, address, and business contact Information.
- Mailing address of the business.
- Applicant entities primary business activity (for eligibility purposes).
- Number of employees.
- Information on business ownership.
- Information on other business relief dollars received due to COVID-19.
- Amount of grant dollars being requested for consideration.

Applicants are asked to provide brief narrative responses to the following questions:

- Basic Description of the business
 - o Tell us what the business does and a little about its history.
- Description of how COVID-19 has impacted the business and how the business has adapted.
- Description of how grant funds would be used if awarded (applicants will need to submit documentation that all expenses are paid in order to receive grant funds).
 - o Please note – it is critical that applicants do not list uses for funds that are not permissible. Doing so would severely impact the likelihood of being awarded a grant because it would demonstrate to the review team that the applicant did not read the guidelines thoroughly before applying. For example, a good way to format the answer to this question would be as follows –

“We are requesting a grant of \$50,000. We are submitting documentation for \$35,000 in food supplies orders incurred and paid between October 1st, 2020 through January 1st, 2021 and for \$15,000 in payments for our rent for September and October 2020 (our rent is \$7,500 per month).”

Additionally, all applicants are expected to complete all narrative questions in a professional manner. No curse words, racist statements, or unprofessional or inappropriate inferences are permitted. Applicants should not respond to narrative questions with all capital letters.

(Application Process and Requirements – continued)

Documentation should be submitted via email once an applicant has submitted the online application. All required documentation should be sent as individual attachments (no .zip files) to the email address provided in the online application. The subject line of the email should be the name of the business as indicated on the program application. Applicants must also provide all of the following documentation as described below without exception:

- W-9 Form, signed, for Applicant Entity in .pdf format. Template W-9 Forms are available on the program webpage.
- 2019 Federal Tax Return for the Applicant Entity (if the business was in operation during any part of 2019). Only full returns will be accepted in .pdf format.
- Proof of financial impact due to COVID-19. Please refer to the “Program Eligibility” section of this document to determine the required documentation based upon your response to the application question regarding financial impact.
- For entities applying under NAICS subsector 722 - a .pdf copy or .jpeg photo of the license to operate a food facility issued by the Montgomery County Office of Public Health
- For entities applying under NAICS subsector 721 – a .pdf copy or .jpeg photo of the businesses local municipality business license, occupancy permit, or PA Department of Revenue Sales Tax Certificate.
- Documentation Explanation Spreadsheet. The template Microsoft Excel spreadsheet should be downloaded from the program webpage; the spreadsheet should be completed such that it corresponds to all documentation of costs incurred and to be reimbursed by grant funds (see below).
- Documentation of costs incurred and to be reimbursed by grant funds as described in the program guidelines. All documentation should be submitted in .pdf format only. Acceptable documentation includes the following:
 - o Canceled checks and corresponding invoices.
 - o Bank statements showing electronic payment with corresponding invoices.
 - o Payroll processing and payment information from payroll software.
 - o If requesting rent or mortgage payments be included as eligible expenses, documentation of the monthly payment amount in the form of a lease or other proof of required payment is required if invoices cannot be supplied.

Please do not submit the following:

- o Letters from the Internal Revenue Service.
- o Articles of Incorporation or other legal documents related to the business structure.
- o Safe Serve Certificates.
- o Driver licenses and/or other personal identification.

Grant applications require acknowledgements and certifications in order to be considered a completed application for submission and review.

Once an applicant hits the “Submit” button on the online application they will be taken to a “Thank You” page. This page is the confirmation that application has been submitted; a confirmation email is not generated. A full description of the grant application format is in the Appendix A of the program guidelines. The actual online application may vary from general format of Appendix A based upon the finalized version of the online application form when the application window opens.

(Application Process and Requirements – continued)

Applications will be reviewed on a rolling basis. It is expected that it will be several weeks before the first grant awards are announced upon the program opening for applications. As grant awards are determined, grant awardees will get an email from the Redevelopment Authority of Montgomery County to begin the contracting and disbursement process. Once all of the grant awards are determined, an email will be sent to all applicants for everyone know the process is complete. During the review period, we ask that all applicants keep the following in mind:

- Submission of an application is not a guarantee of funding.
- The program is not a first come, first served/funded program.
- Please do not email or submit questions asking for an update on the status of or feedback on a particular application as that information will not be provided.

Award of Grant and Grant Contracting

Completed applications will be reviewed and considerations for grant awards will be based on satisfaction of eligibility criteria and demonstrated need in the grant application. Particular consideration will be given to businesses that are minority and/or women owned enterprises and veteran-owned enterprises and on other parameters as described in Act 1 of 2021. Overall evaluation of need and grant award decision criteria will include:

- o Complete and thorough application.
- o Well explained and demonstrable need due to COVID-19 disruptions.
- o Evidence in the application that the applicant has thoroughly read and understands the program guidelines.
- o Achieves program goal(s) based on economic impact of the applicant entity and sector.
- o Supports the economy of our communities and/or the entire county in the short and long term.

Applicants awarded grant funding will be contacted via email by the Redevelopment Authority of Montgomery County and required to sign a grant contract and documentation provided as part of the award and disbursement process. The grant contract must be signed within 15 calendar days upon recipient by the grant awardee of the grant award is forfeited. Upon execution of the grant contract and it being returned to the Redevelopment Authority of Montgomery County, efforts will be made to disburse funds within approximately 10-15 business days. Grant administration, grant contracting, and fund disbursement will be done by the Redevelopment Authority of Montgomery County. Feedback on applications not awarded funding will not be provided. Submission of a grant application is not a guarantee of funding.

Additional Information

Submission of a grant application is not a guarantee of funding. Businesses, residents, and organizations in need support and guidance of can find additional resources and information as follows:

- Questions about the program should be submitted in writing using the Commerce Department's Assistance Request Form found at www.montcopa.org/Commerce. Please note feedback on individual applications or application status will not be provided.
- Information on Act 1 of 2021 can be found at <https://www.governor.pa.gov/newsroom/gov-wolf-signs-bill-to-support-pennsylvania-businesses-help-renters-stay-in-their-homes/>.
- For information on COVID-19 and Montgomery County's response to the global pandemic, visit www.montcopa.org/COVID-19.
- For information on Federal Government resources to help businesses address the COVID-19 global pandemic, visit <https://www.sba.gov/page/coronavirus-covid-19-small-business-guidance-loan-resources>.
- For information on the Commonwealth of Pennsylvania's response to the global pandemic, visit www.pa.gov/covid/.

Appendix A – Grant Application Questions/Documentation

Please note – the required online application will be available at www.montcopa.org/PAHIRP when the application window opens. The online application may appear different than herein and contain additional questions and instructions.

Applicant Information

Business Name: [text box]

Address of Physical Location (street, post office, zip code): [text boxes]

Municipality: [Drop down of 62 municipalities]

Mailing Address for Business (street, post office, zip code): [text boxes]

Name of Business Contact: [text box]

Title: [text box]

Email Address: [text box]

Phone Number: [text box]

Business Website (if none, enter N/A): [text box]

Business EIN: [text box]

Has the business been in operation since February 15th 2020 and does not intend to permanently cease operations within one year of the date of application? [Yes/No]

Was the business in operation at any point during 2019? [Yes/No]

Was the business in operation at any point during 2018? [Yes/No]

What is the primary business activity of the applicant entity (select one)?

[NAICS Subsector 721 – Accommodation, NAICS Subsector 722 – Food Services and Drinking Places]

Number of employees (full-time and part-time in total) being paid as of the date of application: [text box]

Highest number of employees (full-time and part-time in total) during 2019: [text box]

Business Operations

Name of the person who is Primary Business Owner or Managing Partner? [text box]

Is the business a –

- Minority Owned Enterprise? [Yes/No]
- Woman Owned Enterprise? [Yes/No]
- Veteran Owned Enterprise? [Yes/No]

Is the business one or more of the following (check all that apply)?

[Sole Proprietorship; Home-Based; Franchise or Franchisee Entity; Owned in full or in-part by an out of state entity and/or individual(s); N/A]

Basic Description of the Business: [text box]

Describe how your business has adapted due to COVID-19? What are you currently doing to continue operations? [text box]

Requested Grant Amount: [text box]

Describe how you will plan to use the grant funds within the scope of the allowed costs in the program guidelines? [text box]

Please indicate the financial impact criteria you are applying for consideration under. You must submit documentation as described in the program guidelines to justify your eligibility based on the financial impact criteria you select (check the one that you will be providing documentation to prove)?

[

- The applicant had gross receipts during the first, second, third or fourth quarter in calendar year 2020 that demonstrate at least a 25% reduction from the applicant's gross receipts during the same quarter in calendar year 2019,
- The applicant was not in business during the first or second quarter of calendar year 2019, but was in business during the third and fourth quarters of calendar year 2019, the applicant had gross receipts during the first, second, third or fourth quarter of calendar year 2020 that demonstrate at least a 25% reduction from the applicant's gross receipts during the third or fourth quarter of calendar year 2019.
- The applicant was not in business during the first, second or third quarter of calendar year 2019, but was in business during the fourth quarter of calendar year 2019, the applicant had gross receipts during the first, second, third or fourth quarter of calendar year 2020 that demonstrate at least a 25% reduction from the fourth quarter of calendar year 2019.
- The applicant was not in business during calendar year 2019, but was in operation on February 15, 2020, the applicant had gross receipts during the second, third or fourth quarter of calendar year 2020 that demonstrate at least a 25% reduction from the gross receipts of the entity during the first quarter of calendar year 2020.
- The applicant that was in operation in all four quarters of calendar year 2019 is deemed to have experienced the revenue reduction in annual receipts of at least 25% in 2020 compared to 2019 and the applicant can provide 2019 and 2020 annual Federal tax forms substantiating the revenue decline.

]

Does the documentation you will be providing for the prior question demonstrate the following (check all the one that best applies)?

[

- The applicant had a reduction in gross receipts for the period beginning after March 31, 2020 and ending before December 31, 2020, in comparison to the period beginning after March 31, 2019, and ending before December 31, 2019.
- The eligible applicant was not in operation during the entire comparison period, but was in operation on February 15, 2020 and can demonstrate a monthly average reduction in gross receipts of 50% or more for the period beginning after March 31, 2020 and ending before December 31, 2020, in comparison to the period beginning after January 1, 2020, and ending before April 31, 2020.
- Neither of the above criteria are applicable to the applicant.

]

Was the business/organization approved for funding through any of the following –

U.S. SBA's Economic Injury Disaster Loan (EIDL) program? [Yes/No]

The Paycheck Protection Program (PPP)? [Yes/No]

The MontcoStrong Small Business Grant Program in 2020? [Yes/No]

MontcoStrong 2021 Restaurant Grant Program? [Yes/No]

The PA Small Business Grant Program? [Yes/No]

Any other state or federal funding related to COVID-19? [Yes/No]

Please indicate the reported gross revenue on the last signed and filed federal tax return for the business. This must match the required documentation or the application is ineligible. [text box]

Has the business been cited for any health code violations by the Montgomery County Office of Public Health in the past 18 months? [Yes/No]

Is the business currently 60 or more days behind on any payments due for rent, loans, credit cards, and/or other accounts payable (check all that apply)? [Rent/Mortgage, Loan(s), Credit Card(s), Accounts Payable, Taxes, Other, None]

If behind on taxes, is the business in an approved payment plan with all the relevant taxing entity or entities (check one)?

[Yes, the business is participating in an approved payment plan(s) for all back taxes; No, the business is not participating in an approved payment plan(s) for all back taxes owed; The business does not have any tax delinquency issues as of the date of application]

Please provide the names of all individuals and/or entities that own 20% or more of the business and indicate the percentage ownership of each. [text box]

Have any of the individuals and/or entities that own 20% or more of the business declared bankruptcy in the past 36 months? [Yes/No]

Does anyone in the ownership or leadership of the business have a family relationship with an employee of Montgomery County's County Government? [Yes/No]

If yes, please indicate the individual(s) and relationship(s). [text box, 500 words]

Does the business have any contracts with the County of Montgomery, the Redevelopment Authority of Montgomery County, and/or MontcoWorks (the Workforce Development Board for Montgomery County)? [Yes/No]

If yes, please explain the contractual relationship. [text box, 500 words]

Acknowledgements

In order for your application to be considered complete, you acknowledge all of the following:

- I acknowledge that all of the information herein is accurate to the best of my knowledge as of the date of application submission. [Yes]
- I acknowledge that as of this date the business is current with all federal, state, and local taxes owed, or, in the event of a tax delinquency I acknowledge the business is in an approved repayment plan with any and all taxing authorities with which a delinquency exist. [Yes]
- I acknowledge that the applicant entity is and has been in compliance with all lawful COVID-19 mitigation orders issued by the Commonwealth of Pennsylvania since March 2020. I further acknowledge that the applicant entity will remain in compliance with all such orders and any further orders and that failure to do so will result in having to pay back the awarded grant funds in full. [Yes]
- I acknowledge that submission of a grant application does not constitute an award of funding and that feedback will not be provided to applicants on their application or the status of the review process. [Yes]
- I acknowledge the Redevelopment Authority of Montgomery County, on behalf of the County of Montgomery, may determine the grant award amount and that it may be less than the amount I applied for. Furthermore, I acknowledge that there is not an appeal process for the amount of the grant award. [Yes]
- I acknowledge that applicants and grantees for this program are responsible for following the rules, regulations, and contract stipulations of loan and grant programs regardless of the source of funds; furthermore, I acknowledge that it is the responsibility of a grantee to use and report on all funds appropriately whether sourced from local, County, State, and/or Federal government programs. [Yes]
- I acknowledge that all grant funds awarded that are not expended by the end of the grant contract period per the program guidelines and grant contract will need to be returned to the Redevelopment Authority of Montgomery County (as program administrator). Additionally, I acknowledge that all grant funds not spent in accordance with the program guidelines and/or grant contract will need to be repaid to the Redevelopment Authority of Montgomery County. [Yes]
- I acknowledge the business/organization is responsible for properly reporting and paying all tax obligations to the state and federal government as a result of this grant award. [Yes]
- I acknowledge that any unused funds will be returned and that any use of funds that violates the grant contract may result in legal action including prosecution and require the full repayment of grant funds to the Redevelopment Authority of Montgomery County, the County of Montgomery, and/or the Commonwealth of Pennsylvania. [Yes]

Submission & Supporting Documentation

Applicants must provide documentation in order to be eligible for this program. Applicants should email the following to **[email address will be provided in the online application]** with the name of the business from the first question in the application in the email subject line. The following documentation is required:

- W-9 Form, signed, for Applicant Entity in .pdf format. Template W-9 Forms are available on the program webpage.
- 2019 Federal Tax Return for the Applicant Entity (if the business was in operation and required to file due to operations). Only full returns will be accepted in .pdf format.
- Proof of financial impact due to COVID-19. Please refer to the program guidelines to determine the required documentation based upon your response to the application question regarding financial impact.
- For entities applying under NAICS subsector 722 - a .pdf copy or .jpeg photo of the license to operate a food facility issued by the Montgomery County Office of Public Health.
- For entities applying under NAICS subsector 721 – a .pdf copy or .jpeg photo of the businesses local municipality business license, occupancy permit, or PA Department of Revenue Sales Tax Certificate.
- Documentation Explanation Spreadsheet. The template Microsoft Excel spreadsheet should be downloaded from the program webpage; the spreadsheet should be completed such that it corresponds to all documentation of costs incurred and to be reimbursed by grant funds.
- Documentation of costs incurred and to be reimbursed by grant funds as described in the program guidelines. All documentation should be submitted in .pdf format only.

Please type your name, as it appears on your photo identification. This certifies that you have legal authority to submit this grant on behalf of the applicant and also you affirm that the information contained in the application is true and correct and is made subject to penalty of perjury. You also affirm that if awarded this grant, any and all required documentation and reporting will be completed such that it will be true and correct and will be made subject to the penalty of perjury. [text box]

Appendix B – 2017 NAICS Definitions

The information below comes from <https://www.census.gov/naics/>. Potential applicants are encouraged to review the information below and to visit the above reference website to learn more about NAICS codes.

- **721 Accommodation:** Industries in the Accommodation subsector provide lodging or short-term accommodations for travelers, vacationers, and others. There is a wide range of establishments in these industries. Some provide lodging only, while others provide meals, laundry services, and recreational facilities, as well as lodging. Lodging establishments are classified in this subsector even if the provision of complementary services generates more revenue. The types of complementary services provided vary from establishment to establishment. The subsector is organized into three groups: (1) traveler accommodation, (2) recreational accommodation, and (3) rooming and boarding houses, dormitories, and workers' camps. The Traveler Accommodation industry group includes establishments that primarily provide traditional types of lodging services. This group includes hotels, motels, and bed-and-breakfast inns. In addition to lodging, these establishments may provide a range of other services to their guests. The RV (Recreational Vehicle) Parks and Recreational Camps industry group includes establishments that operate lodging facilities primarily designed to accommodate outdoor enthusiasts. Included are travel trailer campsites, recreational vehicle parks, and outdoor adventure retreats. The Rooming and Boarding Houses, Dormitories, and Workers' Camps industry group includes establishments providing temporary or longer-term accommodations, that for the period of occupancy, may serve as a principal residence. Board (i.e., meals) may be provided but is not essential. Establishments that manage short-stay accommodation establishments (e.g., hotels and motels) on a contractual basis are classified in this subsector if they both manage the operation and provide the operating staff. Such establishments are classified based on the type of facility managed and operated.
- **722 Food Services and Drinking Places:** Industries in the Food Services and Drinking Places subsector prepare meals, snacks, and beverages to customer order for immediate on-premises and off-premises consumption. There is a wide range of establishments in these industries. Some provide food and drink only, while others provide various combinations of seating space, waiter/waitress services, and incidental amenities, such as limited entertainment. The industries in the subsector are grouped based on the type and level of services provided. The industry groups are Special Food Services, such as food service contractors, caterers, and mobile food services; Drinking Places (Alcoholic Beverages); and Restaurants and Other Eating Places. Food and beverage services at hotels and motels, amusement parks, theaters, casinos, country clubs, similar recreational facilities, and civic and social organizations are included in this subsector only if these services are provided by a separate establishment primarily engaged in providing food and beverage services. Excluded from this subsector are establishments operating dinner cruises. These establishments are classified in Subsector 487, Scenic and Sightseeing Transportation, because they utilize transportation equipment to provide scenic recreational entertainment.