

Gardner Microenterprise Assistance Program Guidelines & Application Guidance Document

Program Objective and Purpose:

The City has established and will administer a microenterprise assistance grant program in support of eligible microenterprise businesses impacted by the COVID-19 pandemic. The primary objective of this program is to make funds available to microenterprise businesses that have been adversely impacted by the COVID-19 pandemic. The purpose of the program is to support the economic sustainability and recovery of those businesses which serve all of Gardner, including Low- to Moderate- Income residents of the community-wide population.

Eligibility Criteria:

Microenterprise Assistance grants will be awarded to eligible, for-profit, microenterprise businesses. Eligible businesses are those whose owner or owners are at least 18 years of age, employ 5 or fewer employees, including the owner or owners, are located within Gardner, provide goods or services to multiple clients or customers, are in current operation and were established prior to January, 1, 2019, whose owner or owners are in good standing with the Commonwealth of Massachusetts and City of Gardner with respect to taxes due through March 1, 2020, and required licenses and registrations, and who are not a party to any litigation involving the aforementioned state or municipality.

Additionally, eligible businesses must have experienced, and be able to document, a loss of income due to covid-19 which is equal to or greater than the amount of financial assistance being requested or offered. Finally, per the guidelines of the Massachusetts Department of Housing and Community Development's Notice of Funding Availability for this program (CDBG-CV), certain businesses are not eligible for to receive funding under this program. Specifically, ineligible businesses are listed as those consisting of real estate rentals or sales, liquor sales, weapons or firearms sales, cannabis sales, lobbying activities, or corporate chains.

The minimum eligibility criteria as established by the Massachusetts Department of Housing and Community Development CDBG-CV program and by the City of Gardner Microenterprise Assistance Program are listed below:

- Businesses must be a microenterprise business adversely impacted by the impacts of the Covid-19 pandemic. The term "microenterprise" is defined by CDBG guidelines as a commercial enterprise that has 5 or fewer employees (including the owner or owners), 1 or more of whom owns the enterprise.

- Business must be a for-profit business entity (sole proprietorships, partnerships, corporations, or LLCs).
- Business must have a physical establishment located within Gardner and must provide goods or services to multiple clients or customers.
- Business must be currently in operation and have been established prior to January 1st, 2019.
- Business must be in good standing with the state and City of Gardner at the time of application with respect to the following:
 - Current on all taxes due through March 1, 2020
 - Active and valid applicable state licenses/registrations
 - Not a party to litigation involving the state or City of Gardner
- Business must be able to document a loss of income due to Covid-19 which is equal to or greater than the requested amount of assistance provided by this grant.
- Business must not be listed as one of the following excluded business types:
 - Real estate rentals/sales businesses
 - Businesses owned by persons under age 18
 - Businesses that are chains
 - Liquor stores
 - Weapons/firearms dealers
 - Lobbyists
 - Cannabis-related businesses
- Business must serve the entire Community-wide area of Gardner, a City with a 54% proportion of Low- to Moderate-Income (LMI) residents.
- Adverse impacts of COVID-19 must be documented as part of the application process and any funds awarded as part of this program must be equal to or less than the adverse financial impacts of COVID-19 experienced by the business.

Eligible Expenses and Grant Awards:

Grants of up to \$5,000 for rent, lease, mortgage (principal only, not including interest, insurance, or taxes) and/or utility costs incurred by the business will be awarded to eligible microenterprise business owners. Eligible utility costs shall include the costs of electricity, business phone and internet services, natural gas, propane, fuel oil, wood or coal, and water and sewage service, as well as garbage collection. The business must provide documentation of the actual or estimated cost of those expenses as part of the application (see *Eligible Business Cost Calculation Form* and description below under Application Submission section of this document), and certify that the funds will only be expended on

allowable uses for the intended purpose of the grant program. All expenses must be consistent with the presented costs, budget, and financial documentation submitted by the applicant as part of this application process. Funds will be determined and awarded based on demonstrated adverse impacts from Covid-19, calculated financial impacts, and eligible expenses incurred during a defined 6-month period comprising July 1, 2020 to December 31, 2020.

Priority in processing applications will be given to business owners whose household income is less than 80% of the HUD designated median Annual Median Income (AMI) for the associated HUD Metro FMR Area of their home residence. Applications will be reviewed on a rolling basis and funds will be available until they have been fully expended. Time of submission will be based on when a fully completed application has been received, including all supporting documents, and certifications submitted by mail.

Funds awarded as part of this grant may only be applied to the cost of rent, lease, mortgage (principal only), and/or utilities associated with the physical location of the business.

How to Apply:

As part of this application process, the applicant must provide all necessary documentation to verify eligibility, quantify adverse impacts due to Covid-19, and calculate expected cost of eligible expenses allowable under this program. Applicants will be required to submit a complete Gardner Microenterprise Assistance Program Grant Application by mail. An online Covid-19 Business Impact Survey will also be required to be completed by all applicants *prior* to completing the application.

Completion of the online [Gardner Covid-19 Business Impact Survey](#) is required and will be automatically submitted and received upon completion. To complete the survey please visit www.gardner-ma.gov/COVID-Business-Survey.

All respondents who provide contact information at the end of the survey will receive an email notifying them of the availability of the application materials as soon as they are available for download on the City's [Microenterprise Assistance Program](#) webpage at: www.gardner-ma.gov/1117/Microenterprise-Assistance-Program.

If you choose not to provide your contact info please check the Microenterprise Assistance Program webpage often for information and application availability.

Applicants must download and submit a full copy of the completed application, including an original, signed **Certifications & Signature** page (Section 4, Certification & Signature Page). Persons who do not have access to the internet or a printer may request a printed copy of the application by contacting the City of Gardner's Economic Development Coordinator, Maribel Cruz, by phone at 978-630-4074, or by email at mcruz@gardner-ma.gov.

Four additional documentation forms are also required to be completed, signed, and returned along with the application by mail. These forms must be completed in ink and contain original signatures. Below is a list of the required additional documentation forms:

- Microenterprise & LMI Certification & Household Income Form
- Eligible Business Expenses Cost Calculation Form
- 6-Month Profit & Loss Statement (2019, February to July)
- 6-Month Profit & Loss Statement (2020, February to July)

The application and all required documentation forms can be downloaded from the program webpage at www.gardner-ma.gov/1117/Microenterprise-Assistance-Program under the “How to Apply” section.

Finally, as part of the application and documentation forms, the applicant/business owner shall certify that all information within the application, including finance and income information, is accurate and true, and that they have not received or expended, nor will they receive or expend any other sources of state, local, or Federal funding for the same purpose as the intended purpose of funds offered as part of this grant program.

The application and all required supporting documentation and certification forms must be submitted by mail to:

**City of Gardner
Microenterprise Assistance Program
Department of Community Development & Planning
115 Pleasant Street, Room 202
Gardner, MA 01440**

Grant Agreement, Monitoring, Documenting, & Expending Funds

Awardees will be required to sign a Grant Agreement which will include a repayment clause which will include a full repayment if there is any “Duplication of Funds” or if it is determined that any information provided within the application process was inaccurate or intentionally deceptive or fraudulent. At the discretion of the Community Development Block Grant Steering Committee, a partial repayment of funds may also be required on a pro-rated basis if the business should relocate outside of Gardner within a two-year period beginning on the date of the execution of the Grant Agreement.

Additional documentation, including but not limited to tax and income verification documents, may be requested by the City of Gardner for the purpose of verifying information provided in the application.

Documentation of proper expense of funds and proof of payment of eligible expenses will be required of all awardees upon expense of funds and/or completion of eligible grant period. Such documentation may include copies of checks or cancelled checks, copies

of utility statements or receipts, and/or receipts or signed statements of payment for rent/lease/mortgage payments. Proof of payment of eligible expenses will be required for the full amount of funding awarded and shall be consistent with the Eligible Business Cost Calculation Form provided as part of the application. Proof of payment documentation shall be submitted quarterly upon request.

Actual billed utility costs exceeding the estimated amounts provided on the Cost Business Cost Calculation Form will not be allowed and actual expenses less than the estimated amounts should be noted and reported to the City of Gardner Microenterprise Assistance Program to ensure that they both eligible and documented prior to payment.

Expenditure of all funds must be compliant with the allowable uses and intended purpose of the grant as described here.

Funds awarded under this program will be awarded based on a 6-month time-period and will be expected to be fully expended within that timeframe. The initial timeframe of this grant program will be July 1, 2020 to December 31, 2020.

The City of Gardner may request information and documentation related to the expenditure of funds awarded as part of this grant program for a time period of up to 2-years from the date this agreement is executed, or 6-months beyond the final expenditure of awarded funds, whichever is greater.

This program will be evaluated at the end of the first 6-month period relative to the availability and distribution of any remaining funds and, again each 6-months thereafter, until the end of the current program funding contract ending date of December 31, 2021.

Program guidelines are subject to change based on State and Federal CDBG requirements, availability of funds, and community needs.

Additional Resources for Gardner Microenterprise Businesses

CDBG-funded Technical Assistance Consultations are currently available to eligible Gardner microenterprise businesses (those employing fewer than 5 employees and owned by a Low- to Moderate- Income qualified person). Services are provided to eligible Gardner business owners through [NewVue Communities Small Business Program](#). One of NewVue Communities small business representatives can provide assistance completing this grant application and identifying other critical resources and potential sources of funding for your microenterprise business.

Microenterprise Technical Assistance services are currently funded as a Public Social Service Program through the City of Gardner's Community Development Block Grant Program. Under this program NewVue Communities can provide one-on-one technical assistance consultations to eligible Gardner microenterprise businesses in need of guidance related to sustaining or growing their business, including identifying and applying for available funding or resources. Consultations are currently available to

provide direct support to microenterprise business clients, especially those impacted by COVID-19.

Technical Assistance provided as part of this program include but are not limited to:

- Guidance and focused assistance with a specific area or problem within their business startup or established business
- Assistance in preparing a loan package or business plan
- Assistance in preparing and interpreting financial documents so they can better manage their business
- Assistance resolving credit and tax issues as part of loan packaging;
- Assistance with accounting system set up and training
- Assistance developing cost effective promotional strategies
- Assistance finding, qualifying, and applying for eligible sources of funding, particularly with regard to available Covid-19 recovery assistance programs.

Consultations can be conducted remotely via video tele-conferencing or telephone, or, communications can be managed through email. Contact Flor Cintron (978-400-0173; fcintron@nvcomm.org) at NewVue Communities for more information or to schedule an appointment.