

# Gardner Small Business Assistance Program Guidelines & Application Guidance Document

## **Program Objective and Purpose:**

The City has established and will administer a small business assistance grant program in support of eligible small businesses impacted by the COVID-19 pandemic. The primary objective of this program is to make American Rescue Plan coronavirus state and local fiscal recovery funds available to small 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:**

Small Business Assistance grants will be awarded to eligible, for-profit, small businesses, whose owner or owners are at least 18 years of age, which are located within Gardner, provide goods or services to multiple clients or customers, are in current operation and were established prior to October 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, 2021, and required licenses and registrations, and who are not a party to any litigation involving the aforementioned state or municipality. Eligible small businesses are those employing **50 or fewer employees**, including the owner or owners, **OR** small businesses in the **food service, entertainment, arts or recreation industries with 75 or fewer employees** due to extended government mandated closures.

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.

Ineligible businesses are those consisting of real estate rentals or sales, liquor sales, weapons or firearms sales, cannabis sales, lobbying activities, or corporate chains.

Businesses who received the maximum \$25,000 award from the Microenterprise Assistance Program are not eligible for this program. Businesses who received less than \$25,000 and are eligible for the full amount may apply for the difference.

The minimum eligibility criteria as established by the City of Gardner Small Business Assistance Program are listed below:

- Businesses must be a small business adversely impacted by the impacts of the Covid-19 pandemic. The term “small business” is defined as a commercial enterprise that has 50 or fewer employees (including the owner or owners), or that is a food service, entertainment, arts, or recreation commercial enterprise that has 75 or fewer employees (including the owner or owners).
- 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 October 1, 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, 2021
  - 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 as documented within the application.

**Eligible Expenses and Grant Awards:**

Grants of up to \$25,000, or \$30,000 for extended closure for rent/lease or mortgage (principal only, not including interest, insurance, or taxes) and/or utility costs incurred by the business will be awarded to eligible small 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.

Funds will be awarded for the payment of eligible business expenses incurred between April 1, 2020 and December 31, 2021 as further outlined herein. Qualified small businesses will be eligible for an award of up to \$25,000, or \$30,000 for extended closure, provided that the documented financial losses calculated as part of the application are equal to or greater than that amount. No award will be made that exceeds the documented financial loss resulting from Covid-19.

Financial losses resulting from the adverse impacts of Covid-19 must be documented as part of the application process using the profit/loss comparison forms provided. Other financial losses which are not captured within the profit/loss forms that are provided as part of this application may be documented, certified to, and submitted by applicants to demonstrate such things as lost or missed revenue, lost income, and/or other adverse financial or economic impacts, attributable to Covid-19.

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 within the City of Gardner at the time of application. Awardees who choose to relocate their business outside of the City of Gardner during the period of the grant agreement may be subject to a repayment of funds as specified in the grant agreement. No funds may be expended at any time or under any circumstances on any expenses related to any business located outside of Gardner or not specified within the signed agreement.

The deadline to complete the application process is October 31, 2022.

### **Grant Agreement, Monitoring, Documenting, & Expenditure of Funds**

Awardees will be required to sign a Grant Agreement which will include a repayment clause which will subject the awardee to 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 City of Gardner, 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.

The only eligible expenses allowed as part of this program are Rent/Lease or Mortgage, and allowable utilities. Allowable utilities shall include electricity, business phone and internet services, natural gas, propane, fuel oil, wood or coal, and water and sewage service, as well as garbage collection. Previously paid expenses incurred (and paid) from April 1, 2020 through December 31, 2021 are eligible to be paid with grant funds.

Documentation of proof of payment of eligible expenses will be required of all awardees. Such documentation shall include copies of canceled checks, copies of utility bills showing receipt of the previous month payment, signed receipts or signed statements of payment for rent/lease/mortgage payments, and/or detailed bank statements.

The City of Gardner may request information and documentation related to the funds awarded as part of this grant program for a time period of up to 7-years from the date of the final close-out of this grant by the City of Gardner.

This program will be routinely monitored and evaluated for any necessary revisions. Program guidelines are subject to change with the review and approval of the City of Gardner based on U.S. Department of Treasury's First Rule guidelines for the American Rescue Plan coronavirus state and local fiscal recovery funds, availability of funds, and community needs and with proper notice.

**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 provide proof of payment of eligible expenses allowable under this program. Applicants will be required to submit a complete Gardner Small Business Assistance Program Grant Application by mail.

All application materials can be downloaded on the City's Small Business Assistance Program webpage: [www.gardner-ma.gov/1257/Small-Business-Assistance-Program](http://www.gardner-ma.gov/1257/Small-Business-Assistance-Program) or email Economic Development Coordinator, Jessica DeRoy at [jderoy@gardner-ma.gov](mailto:jderoy@gardner-ma.gov).

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 by phone at 978-630-4074.

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:

- Duplication of Benefits Form
- Profit & Loss Statement 2019
- Profit & Loss Statement 2020
- Profit & Loss Statement 2021

Please provide the following required supporting documents:

- Proof of Payment for Eligible Expenses
- 2019 Federal Business Income Tax Return
- Business Certificate or Business License
- Lease or Mortgage Agreement
- Duplication of Benefits Form

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 within the application.

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 use within the same period of time 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  
Small Business Assistance Program  
Department of Community Development & Planning  
115 Pleasant Street, Room 202  
Gardner, MA 01440**

Applications will be reviewed on a rolling basis and funds will be available until they have been fully expended. Funds will be awarded to eligible businesses once a fully completed application has been received, including all supporting documents, and certifications submitted by mail.