

TOWN OF BETHLEHEM MICROENTERPRISE GRANT PROGRAM INFORMATION SESSION



BACKGROUND

- Program is offered by the New York State Office of Homes and Community Renewal (HCR).
- The ME program provides resources to support and foster the development of microbusinesses by providing grants in conjunction with capacity building and entrepreneurial assistance.
- Town of Bethlehem was awarded \$200,000.
- Awards to individual businesses will range from \$5,000 to \$35,000.

WHAT IS A MICROENTERPRISE

A Microenterprise is defined as a commercial enterprise that has five (5) or fewer employees, one (1) or more of which is the principal and owns the enterprise at the time of application.

ELIGIBLE APPLICANTS

- Applicants must be a private for-profit business entity; corporation, partnership, or sole proprietorship that is legal, licensed and operating.
- Applicants must be new and existing businesses with five or fewer employees, one or more of which may be the owner of the business at the time of application.
- Applicants' future or existing business location must be within the Town of Bethlehem.

Please Note: A minimum of 50% of grant funds shall be awarded to start-up businesses. A start up business is defined as a business that has been in operation for less than six months at the time of application.

PROGRAM RULES AND GUIDELINES

- Grant recipients must be located or intend to locate within the Town of Bethlehem. Proof of Bethlehem location must be provided by the applicant.
- Grant recipients principal place of business shall be located within the Town of Bethlehem throughout the term of the grant agreement or the recipient will be required to pay the full award amount.
- Grant recipient's business must remain in existence through the term of the grant agreement or the recipient may be required to repay the full award amount.
- Grant recipients must contribute at least 10%, in cash equity, of the cost of the project; Microenterprise Grant Program funds may not exceed 90% of the total project cost.

PROGRAM RULES AND GUIDELINES

- Grant recipients must create one (1) full time equivalent (FTE) new job, taken by or made available to persons from low-to-moderate income (LMI) families **OR** be owned by a person defined as LMI.
- New jobs must start within a 24 month grant period. Businesses must report back to the Town on the number of jobs created and if more than one (1) FTE is created, 51% of jobs must benefit LMI persons.

Albany County, New York								
Family Size	1	2	3	4	5	6	7	8
Income Limit	\$48,400	\$55,300	\$62,200	\$69,100	\$74,650	\$80,200	\$85,700	\$91,250

ELIGIBLE USES OF FUNDS

- Grant funds must be used within the 24 month grant period, which begins on the executed contract date between New York State and the Town of Bethlehem.
- Grant funds must be used by the recipient for:
 - Inventory
 - Purchase of machinery, equipment, furniture and fixtures
 - Working capital
 - Reimbursement of the cost to attend the entrepreneurial assistance training program.
- Grant funds shall not be used to purchase real estate; repay existing debt; undertake building façade or interior renovations (construction work).

ENTREPRENEURIAL TRAINING PROGRAM

- All grant recipients will be required to complete a Entrepreneurial Training Program.
- The Town has partnered with the Community Loan Fund of the Capital Region to provide the training program.
- Topics to be covered in the training include;
 - Legal issues
 - Taxes, recordkeeping, accounting
 - Financing
 - Marketing and advertising
 - Employee issues
- Grant awards will be used to cover the cost of the training program.

APPLICATION PROCESS

- Completed applications must be submitted to:

Town of Bethlehem Department of Economic Development and Planning
Bethlehem Town Hall
Attn: Economic Development Coordinator
445 Delaware Avenue
Delmar, New York 12054

- Department of Economic Development and Planning Staff (DEDP) will review all applications to determine eligibility and completeness.
- Following DEDP review, applications will be forwarded to the Microenterprise Grant Application Review committee for review and recommendations for the Town Board.
- All applicants will be notified in writing as to the status of their submission.
- Applicants that do not receive grant funds can contact the DEDP to discuss their application and identify opportunities for improvement or other resources.

APPLICATION REVIEW CRITERIA

- All applications will be reviewed and preference will be given to those that:
 1. Are owned or proposed to be owned by individuals who are low-to moderate income persons (LMI).
 2. Maximize “leverage” by taking advantage of other grant and loan programs.
 3. Show a commitment to utilize services and/or equipment from other businesses located within Bethlehem.
 4. Show a commitment of funds for required equity.
 5. Demonstrate the reasonableness of project costs.
 6. Create high quality, well-paying jobs.

GRANT AGREEMENT

- A formal agreement between the business and the Town will be executed. This agreement will constitute the means by which the Town enforces compliance with program requirements. The program will include regular periodic monitoring of each business to ensure that it is making good faith efforts to achieve employment goals and other program objectives.

DISBURSEMENT OF FUNDS

- Grant funds will be disbursed based upon documented incurred costs. The type of documentation required will vary based upon expense but a proof that costs have been incurred by the business will be required prior to reimbursement.
- Examples of documentation accepted include but are not limited to:
 - Store Receipts
 - Purchase Orders
 - Credit Card Statements
- The Town will reimburse a business for 90% of the incurred costs.
- Each business will be limited to two disbursements.

APPLICATION

Applicant and Owner Information

Date:	
Applicant Information	
Name of Business:	
Name of Principal Contact:	
Social Security Number:	
Mailing Address:	
Email:	
Phone:	

Owner Information

Name of Owner:	
Percent Ownership:	
Name of Owner:	
Percent of Ownership	

APPLICATION

Business Information

Business Information	
Business Address: (Physical location or current/anticipated)	
Business Type:	<input type="checkbox"/> LLC <input type="checkbox"/> S Corp <input type="checkbox"/> Sole Proprietorship <input type="checkbox"/> DBA <input type="checkbox"/> Other:
Type of Business:	<input type="checkbox"/> Start up (open less than 6 months) <input type="checkbox"/> Expansion
If Expansion, How Many Years in Business?	
Number of Employees?	
Type of Project: (Check all that apply)	<input type="checkbox"/> Fixtures <input type="checkbox"/> Inventory <input type="checkbox"/> Working Capital <input type="checkbox"/> Equipment <input type="checkbox"/> Machinery <input type="checkbox"/> Other:
DUNS Number:	

APPLICATION

Project Description and Job Creation

Project Description

Please provide a description of your business and the intended use of funds. (attach additional sheets if necessary)

Job Creation

Job Creation	
Number of Existing Jobs:	
Number of New Jobs:	
Job Description and Titles:	

APPLICATION

Fund Request and Source of Funds

Fund Request	
Estimated Project Costs:	
Grant Request:	
Do you have quotes/estimates for project costs?	If Yes, please attach. If no, when will those be available?
Anticipated Project Start Date:	
Anticipated Completion/Business Opening:	

Source of Funds				
Please complete the following chart based on the estimated project costs and identified sources of funds.				
Use of Funds	Estimated Project Total	Owner Equity	Other Sources	Grant Request
Working Capital				
Fixtures				
Equipment				
Machinery				
Inventory				

APPLICATION CHECKLIST

For All Applicants	
	Completed and signed application
	Copy of Certificate of Incorporation, DBA certificate, partnership filing, or signed letter of joint venture agreement
	Personal financial statements for all principals (persons with 20% or greater share of profits and losses in the business)
	Documentation showing commitment to operate within the Town of Bethlehem (signed lease agreement and/or mortgage)
	Cash flow projections for 3 years
	Profit and loss projections for 3 years
	Employment projections and wage rates for 3 years
	Documentation to support use of funds and amount requested (quotes, cost estimates etc.)
	All other documents necessary to support the application (marketing materials, references, etc.)
	Commitment letters from additional funding sources.

APPLICATION CHECKLIST

For existing, expanding businesses only	
	Signed copies of tax returns for past 3 years (business and personal)
	Profit and loss statements
	Balance sheets
For new businesses only	
	Business plan

NEXT STEPS

- The Town will begin accepting applications February 25th.
- Microenterprise Grant Application Review Committee will meet as needed to review incoming applications.
- Entrepreneurial Assistance Training Classes to begin June 20th in Town Hall.

QUESTIONS?

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