

# TOWN OF BETHLEHEM MICROENTERPRISE GRANT PROGRAM

Information Session  
February 22, 2022



# BACKGROUND

- Program made possible by the New York State Office of Homes and Community Renewal.
- 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.

# ELIGIBILITY OVERVIEW

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

# ELIGIBLE USES

- Grant funds must be used directly by the applicant to purchase capital goods, including machinery, furniture, fixtures, equipment; and/or to provide working capital to support business operations.
- Grant funds shall **not** be used to purchase real estate; repay existing debt; undertake building façade or interior renovations.
- 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 LIMITS AND EQUITY REQUIREMENTS

- Grant funds may not exceed 90% of the total project cost.
- Grant recipients must contribute at least 10%, in cash equity, of the cost of the project.

# JOB CREATION

- 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.

Table 1 – Albany County, New York								
Family Size	1	2	3	4	5	6	7	8
Income Limit	\$53,550	\$61,200	\$68,850	\$76,500	\$82,650	\$88,750	\$94,900	\$101,000

# JOB TIMING & REPORTING

- New jobs must start within the 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.
- When job creation is required, the Town of Bethlehem will withhold a minimum of 25% of the grant award until the proof of job creation is provided by the business.



# ADDITIONAL COMPLIANCE

- 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 recipient's principal place of business shall be located within the Town throughout the term of the grant agreement or the recipient will be required to repay the full award.

# ENTREPRENEURIAL TRAINING PROGRAM

- All grant recipients will be required to complete an Entrepreneurial Training Program.
- The Town has partnered with the Community Loan Fund of the Capital Region.
- Topics to be covered in the training include: legal issues, taxes, recordkeeping, accounting, financing, marketing and advertising, and employee issues
- Grant awards will be used to cover the cost of the training.

# PROGRAM TARGETS

- The Town of Bethlehem anticipates that a minimum of ten (10) businesses will be assisted with the awarded grant funds.
- Of these, five (5) will be businesses that create a job for low-to moderate (LMI) persons and five (5) will be businesses owned by LMI persons.
- 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.

# APPLICATION PROCESS

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

# APPLICATION

- Applications available online and in Town Hall, Room 203.
- Include as much detail as possible. If you need more room to answer a question, simply attach additional sheets.
- Given that the Town will review applications on a rolling basis, businesses should carefully review their applications to ensure completeness, as missing materials will result in delayed review of your application.

# 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, or credit card statements
- Each business will be limited to two disbursements.



## NEXT STEPS

- The Town will begin accepting applications March 1<sup>st</sup>
- Microenterprise Grant Application Review Committee will meet as needed to review incoming applications.
- We will work with grant recipients to schedule the entrepreneurial training course.

# QUESTIONS?

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