

Webster Regional Microenterprise Grant Program

Program Overview and Instructions

Eligibility:

1. The business must qualify as a microenterprise (a for-profit business that has 5 or fewer employees, including the owner(s). (Note: 5 employees means actual people, whether full or part-time – Not Full-time equivalents) that has been adversely affected by Covid-19. The business can be a sole-proprietorship, partnership, corporation, or LLC;
2. The business must have a physical establishment in one of the participating towns:
Clinton ~ Douglas ~ Lancaster ~ Northbridge ~ Sterling ~ Webster
3. The business must be currently in operation and must have been established prior to January 1, 2019.
4. Owner(s) of the business must qualify under HUD Low-Moderate Income guidelines based on family income of the owner(s) household(s) adjusted for household size, for the geographic area in which they reside (not the area in which the business is located). All owners must have a family income of not more than 80% of the area median income (AMI);
Income will be calculated by one of two methods:
 - a. Gross income from tax returns (business and personal) for the most recent tax year for which returns have been filed. (2019); or
 - b. Actual income for the most recent 8 weeks, as determined by source documents, annualized.
 - c. HUD Income Limits for each town can be found at the end of this document on page 4.
5. The business must provide goods or services to multiple clients or customers;
6. The business must be able to document a loss of income equal to or greater than requested assistance, due to Covid-19;
7. The business must be in good standing with the State and Town and current on all taxes due through 3/1/2020;
8. The business must have active and valid state and local licenses or registrations as applicable to the type of business;
9. The business must not be party to litigation involving the Commonwealth or the Town in which it operates;

Ineligible Businesses:

- Real estate rental/sales businesses;
- Businesses owned by persons under the age of 18;
- Liquor Stores;
- Weapons/firearms dealers;
- Lobbyists; or
- Cannabis-related businesses.

Program Overview

Amount of Funding

The maximum grant to a single business is \$25,000 with demonstrated cost greater than or equal to the amount requested.

Use of Grant Funds

Approved Uses:

Grant funds may be used for working capital to cover business costs such as, rent, staffing, utilities, insurance and cost of goods. Funds may also be used for purchasing personal protection equipment.

Non Approved Uses:

Grant funds may not be used for major equipment purchases, purchases of real property, construction activities, business expansion, or lobbying.

Funding Source

Funding for this program will be provided through a grant from the Massachusetts Department of Housing and Community Development (DHCD) of CDBG-CV funds, which are allocated by the United States Department of Housing and Community Development (HUD) to DHCD for distribution to small cities and towns with the Commonwealth. The Town of Webster's Office of Community Development will administer this grant.

Application Process

There will be a two part application process.

Part I of the application process will determine if your business meets the minimum eligibility requirements established by the program and Part II will consist of a more detailed application with required supporting documentation if your business is determined to be eligible.

Part I - Preliminary Application

Applicants will complete a preliminary application that collects the basic information about the business and business owners, including:

1. Name and address of business
2. Date business was established
3. Type of business (product or services provided)
4. Owners(s) certification that the business is still in operation
5. Owners(s) certification that the business is current on taxes through 3/1/2020 (this will be verified in Part 2 of the application process)
6. Name and address of owner(s)
7. Number of people employed by the business (including owner(s))
8. DUNS number of the business (This is a federal requirement. Businesses receiving federal funds must obtain a Dun and Bradstreet Number. Businesses who do not currently have a DUNS number must apply for one and submit proof of application – which can be done online at no cost to the applicant).
9. An estimate of the amount of assistance requested (no documentation is required at the preliminary application stage) and what the funding will be used for.
10. A signed Duplication of Benefits certification form stating that the assistance requested will not duplicate benefits received from other sources. (copy attached)

Part II - Detailed Application with supporting documentation

The program staff will mail full applications to the first three (3) qualifying businesses along with a cover letter that contains a submission check list and the final application submission deadline date for that business.

Applicants will have two weeks to complete the detailed application and return them to the Webster Community Development Office **with all required documentation** by the date stated in the cover letter.

When complete applications are received, the program staff will review the applications, and the submitted documentation, and confirm the eligibility of the business and the amount for which the applicant is eligible. If there is documentation missing, or additional clarifying information is required to make an eligibility determination, the applicant will be notified and given one additional week to provide the missing/additional information.

In order to be fair to all applicants on the waiting list, applications be closed administratively if applicants do not submit completed applications and documentation within a three week period. The program staff will open the next application from the waiting list. Applicants may re-apply if this occurs and will be given the next available place at the end of the waiting list for their town.

Applicants will be advised of the results of the eligibility review by email or mail if no e-mail is provided.

If the applicant is eligible, a Grant Agreement will be prepared for the applicant's signature stating the terms under which the funds are being provided. Once the program agreement has been signed by the applicant and the Town of Webster (as the managing agent for this grant), checks will be processed and should generally be available within 10 days of the date of the program agreement being signed.

Grant recipients will be required to submit proof that the funds were used for the intended purposes within 45 days of the check date. For example, cancelled checks would be provided to demonstrate that the grant funds were expended to pay back rent or mortgage payments, if that is was the purpose for which funding was requested.

While funds are provided as a grant, provisions of the grant agreement will ensure that the funds may be claimed if used for unauthorized purposes or required proof of use is not submitted.

Program overview/guidelines, Preliminary application, Required Duplication of Benefits form, Instructions for obtaining a DUNS # and Income qualifying guidelines can be found on the Town of Webster's website: webster-ma.gov under the Office of Community Development tab.

Application will also be available to pick up at the Webster Town Hall, Community Development Office or they can be requested by phone or e-mail from the Office of Community Development 508-949-3800 extension 4004 or e-mail: ccyr@webster-ma.gov

A COMPLETE APPLICATION INCLUDES THE FOLLOWING

- Completed Business Information Page signed by all Business Owners Completed and signed
- Business Owner Information Page for each business owner
- Duplication of Benefits Certification Form
- DUNS number or proof of application submitted

Income limits for the towns of: Clinton, Douglas, Northbridge, Sterling and Webster

		Persons in Family							
FY2020 Income Limit	FY2020 Income Limit Category	1	2	3	4	5	6	7	8
for Worcester Metro Area 5.4.2021	Low								
	50%	\$34,600.00	\$39,550.00	\$44,500.00	\$49,400.00	\$53,450.00	\$57,350.00	\$61,300.00	\$65,250.00
	Moderate	\$54,350.00	\$63,250.00	\$71,150.00	\$79,050.00	\$85,400.00	\$	\$91,700.00	\$98,050.00
	80%								\$104,350.00

Income limits for the town of: Lancaster

		Persons in Family							
FY2020 Income Limit	FY2020 Income Limit Category	1	2	3	4	5	6	7	8
for East Worcester Metro Area	Low								
	50%	\$39,100.00	\$44,650.00	\$50,250.00	\$55,800.00	\$60,300.00	\$64,750.00	\$69,200.00	\$73,700.00
	Moderate	\$54,950.00	\$62,800.00	\$70,650.00	\$78,500.00	\$84,800.00	\$91,100.00	\$97,350.00	\$103,650.00