**Microenterprise Assistance COVID-19 Relief Grant Program**

**Program Description**

The Bangor Microenterprise Assistance COVID-19 Relief Grant Program offers short-term working capital assistance to eligible, for profit microenterprise businesses to enable the viability of the business during the severe interruption directly related to the COVID-19 pandemic and resulting social distancing. Individual grants are available up to $3,500.

A total of $80,000 is allocated for this program which is funded through the City of Bangor’s Community Development Block Grant Program (CDBG), through funding from the United States Department of Housing and Urban Development (HUD).

To qualify as a microenterprise business, you must have five or fewer full-time equivalent employees at the time of submitting the application **AND**, you as owner, must have an annual household income at or below 80% of the HUD Average Area Median Income (shown below). If you do not believe you qualify as a microenterprise business, please review the Bangor Small Business Assistance COVID-19 Relief Program to see if you are eligible.

**Grant Amount**

* Requests can be made for any amount up to $3,500

**Business eligibility**

* Business must have five or fewer full-time equivalent employees, including the owner, at the time of application
* Business owner must have a household income at or below 80% of the HUD Area Median Income
* Business must have its primary operating facility located in Bangor
* Business must have been established prior to 2/29/20
* Business must be for-profit with a maximum of $1.0 million annual gross revenue
* Business must provide documentation showing a minimum of 50% decline in sales (average sales of March, April & May, 2020 must be at least 50% less than the average monthly sales in 2019) to prove its viability has been threatened by COVID-19 quarantine measures. Funds that are owed in the future, but not yet collected, are not considered a decline in sales
* Funds cannot be used for expenses paid for with other federal or state COVID-19 funding programs, e.g. PPP and EIDL
* Employees of the City of Bangor or City of Bangor elected officials are not eligible
* Business must be in compliance with all federal, state, and local statutory requirements. Business must have no unresolved notice of violations from the City of Bangor Code Department and have no City of Bangor matured tax liens
* Business owner(s) must be the applicant and only one (1) application can be submitted per owner or group of owners to either the Bangor Small Business Assistance COVID-19 Relief Program or the Bangor Microenterprise Assistance COVID-19 Relief Grant Program

**Eligible Uses:** Up to 2 months of normal business operating expenses, such as:

* Business rent
* Employee wages & benefits
* Utilities
* Supplies
* Business taxes
* Business Mortgage payment
* Other obligations directly related to the operation of the business

**Ineligible Uses**

* Refinancing existing debt
* Down payment for other financing
* Wages for business owner(s) and family members
* Any construction-related work
* Any activity not listed as an eligible use

**Certification and Submittals**

* Business owner(s) must submit a complete application with all required submittals
* Must submit business owner’s personal 2019 Federal Income Tax Return or 2018 tax return if the 2019 return has not been filed to prove household income at or below 80% of the HUD Area Median Income (See below)
* Must provide a list of all employee positions, whether they are full or part time, their hours, and benefits provided
* Must submit documentation of the reduction of at least 50% of sales (average monthly gross sales in March, April, and May of 2020 must be at least 50% less than the average monthly gross sales in 2019). Please provide the gross sales each month during 2019 and March, April and May, 2020. Funds/payments due in the future, but not yet collected, are not considered loss of sales
* Must disclose all funds received, or applied for and not yet received, for COVID-19 related assistance and exactly how these funds were used (Finance Authority of Maine (FAME) COVID-19 Relief Loan Programs; Small Business Administration: Paycheck Protection Program (PPP); Economic Injury Disaster Loans (EIDL) etc.)
* Must submit a complete list of all owners if more than one (1)

**Funds Disbursement**

* Funds will be disbursed every two (2) weeks in conjunction with the City’s accounts payable schedule.
* Funds will be distributed on a reimbursement basis. Applicant must provide proof of payment for eligible business costs (such as lease or mortgage) to show exactly what expenses are to be reimbursed. Only business expenses which incurred after March 1, 2020 are eligible for reimbursement.

**Grant Criteria**

Applications will be accepted from June 23, 2020 through June 30, 2020. Applicants must complete the full grant application and agree to complete a post-grant survey. With the anticipation of a high volume of applications and a limited amount of funding available, the City reserves the right to reject any application that is incomplete, or does not meet the Program Requirements in the sole opinion of the Department of Community & Economic Development. There is no guarantee that any applicant will receive funding. You may request up to the program’s maximum funding limit; however, if the ask is not supported by the need, the City may fund at a lower amount.

Obtain an application here: [www.bangormaine.gov/covidrelief](http://www.bangormaine.gov/covidrelief). Submit a completed application with all associated documents to covid.relief@bangormaine.gov by June 30, 2020. Applications received after June 30 will not be considered. The application and documents associated with it may be subject to disclosure under Maine’s Freedom of Access Act in the event of a public records request except to the extent the documents are confidential.

The City of Bangor's Office of Community & Economic Development does not discriminate or disqualify business applicants based on gender, race, religion, ethnicity, sexual orientation, gender identity, family status, country of origin, disability, or other demographic categories. The same criteria and qualification guidelines will be followed for all businesses. Recipients of a grant will be chosen via a random system.

This grant cannot be used for any construction-related work for your business (e.g. painting, electrical, plumbing, or carpentry including construction necessary for modifications related to COVID-19).

Businesses that are already participating in other city or federal programs can still apply to the Microenterprise Assistance COVID-19 Relief Grant Program; however, funds cannot be allocated more than once to the same purpose. For example, if you are receiving PPP assistance to cover your payroll, you cannot use these City grant funds for the same purpose unless you prove the PPP assistance does not cover payroll obligations. Applicants are required to show all COVID-19 funding sources and specifically how that funding was used. City grant funds are to supplement the outstanding expenses not covered by other grant or loan funds.

Note: The use and possession of cannabis is illegal under federal law for any purpose. Although cannabis businesses are permitted in the City of Bangor, the Microenterprise Assistance COVID-19 Relief Grant Program is a federally funded program by the U.S. Department of Housing and Urban Development; therefore, cannabis businesses are not eligible.

**Income limits**

Income limits are set by HUD and based on family size and whether or not the family (total of all incomes in the family) is above or below the corresponding income level indicated in the table below.

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| Family Size | 1 Person | 2 Person | 3 Person | 4 Person | 5 Person | 6 Person | 7 Person | 8 Person |
| 80% of HUD Median Income | $41,450 | $47,400 | $53,300 | $59,200 | $63,950 | $68,700 | $73,450 | $78,150 |

**Full-Time Equivalent**

Jobs calculated, created, or retained using City of Bangor CDBG funds must be shown as full-time equivalents (FTE). FTE is equivalent to one employee working full-time.

Calculate the full-time equivalents of a position by dividing the number of hours the person holding it will work each week by the number of hours worked each week by a full-time employee doing that job.

For example, a 10 hour per week position when a full-time employee would work 40 hours would be listed as 0.25 full-time equivalents. Another example: You have three employees and they work 50 hours, 40 hours, and 10 hours per week - totaling 100 hours. Assuming a full-time employee works 40 hours per week, your full-time equivalent calculation is 100 hours divided by 40 hours, or 2.5 FTE.