



Montgomery County Microenterprise Grant Program (MCMGP) Application

The Montgomery County Microenterprise Grant Program (MCMGP) was made possible through a grant from the New York State Office for Housing and Community Renewal.

MISSION STATEMENT

The Montgomery County Microenterprise Grant Program (MCMGP) will provide grants to eligible entrepreneurs and business owners that want to establish or expand an existing business located within Montgomery County. Special attention shall be given to assisting businesses owned/ operated by or employing a significant number of persons of low and moderate income, minority and women owned businesses, and businesses owned or operated by Returning Veterans. The Montgomery County Microenterprise Grant Program (MCMGP) will be administered by the Montgomery County Business Development Center (MCBDC).

ELIGIBILITY CRITERIA

- A. Applicants may be sole proprietors, partnerships, or corporations. Applicants must be new or existing commercial enterprises with **five or fewer employees**, one or more of which must be the principal(s) and own the enterprise at the time of application.
- B. Applicants planned or existing business operations must **be located within the boundaries of Montgomery County**.
- C. All applicants, independent of existing skills and experiences, **must complete the mandatory Entrepreneurial Training Workshop** which will take place during the month of **May of 2025** at the **Montgomery County Business Development Center**. The program will consist of four 1-2 hour workshops. Awardees will have to pay \$100 for the training. If you took this course in 2024 and supply us with the certificate, you will not need to take the course.
- D. Applicants must be able to fulfill the **15% owner cash equity** contribution for the proposed project as further defined below under Amounts and Terms.
- E. Preference will be given to projects that maximize “leverage” by taking advantage of other grant and loan programs within the County.
- F. Preference will be given to projects/ businesses that offer internships, job-shadowing, or apprenticeship opportunities.
- G. Preference will be given to projects/ businesses resulting in job creation, as well as Veteran Owned and MWBE businesses.
- H. Preference will be given to applicants that have not received a grant in the last two microenterprise grant cycles.
- I. Businesses receiving funding **must create at least one new job** offered to or made available to** persons from low-to-moderate-income (LMI) families*** **OR be owned by a person defined as LMI**. If owned by more than one individual, a majority of owners must qualify. (See National Objectives/ LMI Limits for definitions).

National Objectives/LMI Limits

A portion (51%) of CDBG program funds must benefit persons defined as low-or-moderate-income based on federal “HUD” standards, equivalent to 80% of the HUD Area Median Family Income (AMFI). HUD defines the AMFI for Montgomery County as \$59,000 in 2023. In order to qualify as LMI, persons must have combined family incomes below the following limits based on household size (i.e. # of persons):

Montgomery County, NY

| | | | | | | |
|----------------------|-----------|------------|------------|------------|------------|------------|
| Family Size: | 1 Person: | 2 Persons: | 3 Persons: | 4 Persons: | 5 Persons: | 6 Persons: |
| Income Limit: | \$46,800 | \$53,450 | \$60,150 | \$66,800 | \$72,150 | \$77,500 |

The above are guidelines for eligibility. Final acceptance or rejection of an application is at the discretion of the MCMGP Review Committee.

Notes:
** -- "Available to" LMI persons means the position must be advertised fairly and require no special skills or educational levels beyond a high school education.
***-- Family income limits are for year prior to employment; there is no cap on salary for jobs created.

APPLICATION REVIEW PROCESS

- A. All applicants must use the attached application form and format for MCMGP applications and provide all information and documentation as identified therein.
- B. All applications should be submitted to:

**Montgomery County Business Development Center
113 Park Drive
Fultonville, New York 12072**

- C. The deadline for all applications is **May 1st, 2025**. Applications received or postmarked after this date will not be considered for the program's first round. A second round will only be conducted if the available grant funds are not fully awarded during the first round.
- D. The staff of the MCBDC will review all applications for MCMGP funds to determine eligibility and completeness and submit accepted applications to the MCMGP Review Committee with a recommendation whether to approve or deny the assistance request.
- E. The MCMGP Review Committee will meet to evaluate all submitted applications and to decide on the assistance requests. Decisions on assistance requests will be made after submissions of a complete application. *The Committee must take into consideration the requirements set forth by the New York State Office for Housing and Community Renewal during the selection process. The Montgomery County Microenterprise Grant Program is required to meet the needs of the overall contract and program goals.*
- F. Applicants will be informed in writing of the decision of the MCMGP Review Committee.
- G. The MCMGP Review Committee will review all complete applications based on the following rating criteria (100 total points):

Grading Rubric (100 total possible points)

- 0-10 Project costs reasonable and justified
- 0-15 Business Contribution/Owner Equity (must be at least 15% of project costs)
- 0-15 Owner qualifications, background, and financial standing
- 10 Job creation (jobs must be created within the two year State grant contract period*)
- 10 Business will allow collaboration with other local businesses
- 0-15 Well constructed business plan
- 5 Businesses or projects offer internships, job-shadowing, or apprenticeship opportunities
- 10 Business is a Start-up (50% of funds dedicated to start-ups)
- 5 Minority or Women Owned Business Status
- 5 Returning Veteran Status

USE OF PROGRAM FUNDS

- A. MCMGP funds must be justified and be used directly by the applicant to purchase capital goods, including machinery, furniture, fixtures, and equipment; and/or to provide working capital to support operations.
- B. MCMGP funds may **NOT** be used to purchase real estate, repay existing debt, undertake building façade or building interior renovations, or to make any investments or payments that are outside the scope of the business. (Applicants are encouraged to contact MCBDC to determine the eligibility of proposed expenses.)
- C. **Applicants must provide bids or quotes as part of their application** for any proposed goods and services that will be purchased with grant funds.

AMOUNTS AND TERMS

- A. For each grant awarded, at least one full-time-equivalent* (FTE) job must be created for a low-to-moderate income (LMI) person, or the business owner must be considered LMI themselves.
- B. A minimum of 50% of grant funds will be awarded to start-up businesses. Start-up is defined as an enterprise that has been in business fewer than six months at the time of application.
- C. The MCMGP Review Committee will have the sole authority to set the grant amount based on the needs of the applicant and availability of funds. Grant funds will range from \$5,000 to \$35,000.
- D. The minimum grant amount will be \$5,000. Businesses will be eligible for up to \$30,000 of additional funding (up to \$35,000 total) for creating one new full-time-equivalent* (FTE) job. (If more than one FTE is created at least 51% must be LMI)
- E. New jobs must start within the State grant contract period (5/2025 – 10/30/2026).
- F. The MCMGP Review Committee may award up to 85% of total project costs. Cash equity participation from the applicant is required at a minimum rate of 15% and combinations with other funding sources (commercial lenders and/or non-traditional programs) are anticipated. *For example, if your total project cost is \$10,000, the grant request cannot exceed \$8,500 and business owners must contribute at least \$1,500 of their own finances.*
- G. The mandatory entrepreneurial training workshop will cost \$100 to the business.
- H. All grant funding is provided on a **reimbursable basis** with a maximum of five payment requests permitted per grant award.
- I. Applicants' principal place of business must remain in existence and be located within the boundaries of Montgomery County and cannot change ownership throughout the term of the MCMGP grant agreement (two years) or the grant recipient may be subject to full or partial repayment of the grant funding awarded.
- J. Applicants must create the amount of jobs agreed to throughout the state grant contract period (5/2025 – 10/30/2026) or the grant recipient(s) will be subject to the full or partial repayment of the grant funding awarded based on the recapture schedule.
- K. Businesses that cease to exist, relocate to an area outside of Montgomery County, or do not meet their job creation numbers during the state grant contract period (5/2025 – 10/30/2026) may be required to repay grant funding based on the established recapture schedule.
- L. **Grant amount awarded must be spent within 6 months.**

Recapture Schedule:

- Default before or within first year of required monitoring - 100% recapture
- Default within second year of required monitoring - 50% recapture
- Default after two year monitoring period - No recapture

*Notes: * -- A Full-time-equivalent (FTE) job is any combination of two or more part-time jobs that, when combined together, constitute the equivalent of a job of at least 40 hours per week.*

SPECIAL CONSIDERATIONS

- A. MCMGP is intended as a financial assistance tool for applicants with few personal assets, little or no usable collateral, and credit ratings below those that commercial lenders would consider acceptable for financing decision. Where they exist, these issues will be considered by the MCMGP Review Committee; but they are not, by themselves, factors in support or against an application.
- B. Applications will be evaluated on the merits of the case as stated in the business plan and through interviews with the principal(s).
- C. The Montgomery County Microenterprise Grant Program is required to meet the needs of the overall State contract and program goals. The MCMGP Review Committee must take into consideration the requirements set forth by the New York State Office for Housing and Community Renewal as well as Montgomery County's overarching needs and goals during the selection process.

LMI Owner Eligibility

If project does not include job creation, please complete information below to determine eligibility

Annual Gross Family Income: _____ # In Household: _____ Single Parent: Y N

(Please provide a Personal Financial Statement and/or tax returns for the past two years for both business and personal income)

Have you or anyone directly connected with your business ever declared bankruptcy? Y N

(If yes, please provide a written explanation)

Business Start-Up/ Expansion Request

Estimated cost of project: \$ _____

Grant Request: \$ _____

Do you have quotations/estimates for expenses to be paid with grant amount?

Yes *(please attach to application)* No *(when will they be available?)* _____

Anticipated Project Start Date: _____

Anticipated Expansion Completion/Business Opening Date: _____

Source of Funds

| Project Element | Estimated Total Cost | Owner Equity | Other Sources | Request Grant Funds |
|----------------------|----------------------|--------------|---------------|---------------------|
| Working Capital | | | | |
| Furniture/Fixtures | | | | |
| Equipment/ Machinery | | | | |
| Inventory/ Supplies | | | | |
| Other _____ | | | | |
| Other _____ | | | | |
| Total | | | | |

Total grant amount may not exceed \$35,000; grant may not exceed 85% of total project costs.

Application Checklist *(please check each box and attach required documents below)*

- Complete and signed application
- Business Plan *(See attachment A)*
- Copy of Certificate of Incorporation, DBA certificate, partnership filing, or joint venture agreement
- Signed Letter of Agreement *(See attachment B)*
- Credit Release Form *(See Attachment C)*
- Personal Financial Statement and/or tax returns for the past two years – signed copies (personal)
- Documentation to support the use of funds and amount requested (quotes, cost estimates, sales brochure)
- Project funds will be spent within 6 months of contract execution.
- Any other documents you feel would help this application *(marketing materials, references, etc.)*

Signature: _____

Name: _____

Date: _____

ATTACHMENT A

Business Plan Application Requirement

- **Business Overview**
 - Business name, owner's name, and contact information
 - Type of business
 - Brief history or description and mission statement
 - Description of products and services
- **Customers & Markets**
 - Target market and customer demographics
 - Competitive analysis (who are the competitors and what differentiates the business)
 - Marketing and sales strategy
- **Operational Plan**
 - Location and Facilities
 - Day to Day business operations
 - Technology, equipment, inventory needed
 - Staffing Plan
- **Financial Plan**
 - What are your estimated costs to start or grow your business?
 - How much money do you need from the grant, and what will it be used for?
 - How will your business make money?
- **Community Impact**
 - Job Creation
 - Contribution to local economy – services in the community?
 - Does your business support local suppliers or other small businesses?
- **Additional Information**
 - Business licenses and permits
 - Budget or list of estimated expenses
 - Anything else that helps explain your business idea



Montgomery County Microenterprise Grant Program (MCMGP)



LETTER OF AGREEMENT

I understand and by signing agree:

- That the Montgomery County Microenterprise Grant Program (MCMGP) will review my application and if approved, may commit up to \$35,000 of assistance toward the cost of my program or project not exceeding 85% of the project cost;
- That the County may decline my application for any reasonable cause;
- That I will participate in the **required** "Entrepreneurial Training Workshop" because it is a pre-requisite to obtaining the requested grant funds;
- That I am eligible for this program because I meet the threshold for Low-Moderate Income (LMI) status and/or will make a job available to an LMI individual. In order to qualify as LMI, person must have combined family incomes below the following limits based on household size:

| | | | | | | |
|----------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| FAMILY SIZE: | 1persons: | 2persons: | 3persons: | 4persons: | 5persons: | 6persons: |
| INCOME LIMIT: | \$46,800 | \$53,450 | \$60,150 | \$66,800 | \$72,150 | \$77,500 |

That the MCMGP Committee must review and approve any changes or alterations proposed to my project, after the initial approval is given;

- That the Montgomery County Business Development Center, the Montgomery County Soil & Water, and the MCMGP Committee will not be responsible for unsatisfactory work completed or claims of property damage and/or personal injury;
- That construction is an ineligible expense associated with the project and no charges pertaining to labor can be funded, but that I am solely responsible for obtaining the proper permits or variances for my project;
- That my personal labor, donated or in-kind labor and/or materials are ineligible for funding, and do not count against the 15% cash equity match, for the purposes of this program;
- That businesses which cease to exist, relocate to an area outside of Montgomery County, or change ownership during the term of the grant agreement may be required to repay full or partial of the award amount. The MCMGP Review committee may, on a case-by-case, determine and grant repayment amount that is smaller than the original grant amount;
- That a UCC may be filed to obtain security on grant funded items;
- That the MCMGP funding is provided on a reimbursable basis with a maximum of three payment requests permitted.
- That I am committed to the budget projected accomplishments, and/or job creation numbers set forth in Schedule A of the Grant Award Letter.

By signing below I certify that all above statements are true to the best of my knowledge AND that I am authorized to represent the Business in question in certifying these statements.

Signature: _____

Witnessed by: _____

Name: _____

Name: _____



Montgomery County Microenterprise Grant Program (MCMGP)



CREDIT RELEASE

I hereby request and authorize you to release to the Montgomery County Business Development Center and Montgomery County Soil & Water for verification purposes, personal and corporate credits reports and information concerning the company/corporation/ partnership and/or the officers and individuals listed below. That information may include but is not limited to:

- Employment history dates; title, income, hours worked, etc.
- Banking (checking/savings/money market) accounts of record
- Mortgage Loan rating (open date, high credit, payment amount, loan balance and payment)
- Any information deemed necessary in connection with a consumer credit report for the loan application.

This information is for confidential use of this lender in compiling a loan credit report. A facsimile, photographic or carbon copy of this authorization (being a facsimile, photographic, or carbon copy of the signature(s) of the undersigned), may be deemed the equivalent of the original and may be used as a duplicate original.

We may request a consumer report on each Principal, Officer, or Guarantor signing below in connection with this Application and subsequent consumer reports in connection with updating, renewing or extending the requested credit. Upon your written request, we will provide the name and address of the consumer agency furnishing such a report to us, if any.

Name of applicant (Please print or type): _____

1) Name of Affiliated Business: _____

Telephone (____) _____ - _____

1) Name of Business Officer/ Owner: _____

Signature: _____

Address for last two years: _____

Social Security #: _____

2) Name of Business Officer/ Owner: _____

Signature: _____

Address for last two years: _____

Social Security #: _____