

Resources for Other Available Funding Programs

In addition to the grants available through the Microenterprise Assistance Program, the **Sullivan County Division of Planning & Environmental Management (DPEM)** administers the following revolving loan funds designed to assist entrepreneurs looking to establish or expand businesses:

- Agri-Business Loan Program
- Agri-Business Micro-Enterprise Loan Program
- Main Street Business Loan Program
- Main Street Micro-Enterprise Loan Program

Loans may be up to \$100,000, depending on multiple criteria, including the proposed ratio of owner-equity involved, the number of jobs to be created and the business' location.

In addition, the **Industrial Development Agency** (845-295-2603) offers the following revolving loan programs:

- Loan Fund Program
- Agri-Business Loan Fund
- Rural Micro-Entrepreneur Fund
- Millennium Pipeline Loan Fund

The **Sullivan County Partnership for Economic Development** (845-794-1110) also administers additional revolving loan fund programs with similar goals. Currently, between all of these funds, county agencies have approximately \$300,000 available to lend at very favorable terms.

MAP IMPORTANT DATES

Friday, February 3, 2012

Application due

March-April 2012

Entrepreneurial Training Program

May 1, 2012

Grants Awarded

Entrepreneurial Training Program Class Schedule

Businesses receiving grants through this program must participate in an "entrepreneurial training program" delivered by the Sullivan County Chamber of Commerce as a requirement for receiving funds.

Session 1:

Small Business Basics

Session 2:

The Elements of a Business Plan

Session 3:

Understanding Business Costs

Session 4:

Market Research & Analysis

Session 5:

Developing a Marketing Plan

Session 6:

Sales & Expense Projections

Session 7:

Drafting the Narrative

Session 8:

Customer Service & Quality

Session 9:

Finding, Hiring & Managing Employees

Session 10:

Financing Your Business

Dates, times and locations are being finalized and will be released shortly.



MICROENTERPRISE ASSISTANCE PROGRAM

GRANT GUIDELINES & APPLICATION PROCEDURES



For Main Street Businesses and Agricultural Businesses

**Sullivan County
Division of Planning &
Environmental Management**
*(In coordination with the
Center for Workforce
Development, the Sullivan
County Chamber of
Commerce, Sullivan
Renaissance, and the
Liberty CDC.)*

County Government Center
100 North Street
Monticello, NY 12701
(845) 807-0527
planning@co.sullivan.ny.us

About the Grant Program

Sullivan County recently received \$185,000 in **NYS CDBG Economic Development Program funds for a Microenterprise Assistance Program (MAP)**. The purpose of this grant program is to foster the development of **agriculture-related and Main Street micro-businesses** in Sullivan County with the ultimate goal of providing employment opportunities for persons of low- to moderate-income families. The program will be administered by the Sullivan County Division of Planning and Environmental Management (DPEM) and is designed to dovetail with existing revolving loan programs (see back panel).

Who is Eligible to Apply?

Eligible businesses are limited to new and existing commercial enterprises with five (5) or fewer employees, one (1) or more of which is the principal and owns the enterprise at the time of application. Applications will only be accepted from private for-profit business entities, which may be sole proprietors, partnerships or corporations.

Applications will only be accepted from businesses operating within the following small-business sectors:

1. Businesses located within **downtown “Main Street” business districts;**
2. **Agricultural-related businesses** defined as farm operations, businesses that support farm operations, and businesses that sell or process value-added agricultural products.

How much money is available?

Applicants may request a grant amount ranging from **\$5,000 up to \$35,000** as part of the pre-application process. Grants may not exceed 90% of the total project cost, and a minimum of 10% owner equity contribution is required (must be cash). For example if your total project cost is \$10,000, you must contribute at least \$1,000 of your own money to the project.

Preference will be given to projects that maximize leverage of resources from other sources, including existing revolving loan funds. Preference will also be given to projects located in census tracts where the median income is at or below 80% of Area Median Family Income for Sullivan County. A minimum of 50% of the total grant funds will be awarded to start-up businesses.

How can the grants be used?

Eligible activities that may be funded through this program are limited to working capital to support operations, and/or the purchase of inventory, machinery, furniture, fixtures and equipment. Funding may not be used to purchase real estate, repay existing debt, or for any construction-related activities.

Businesses receiving funding must create at least one (1) new job offered to or made available to persons from low or moderate income (LMI) families, or be owned by a person defined as LMI.

Businesses receiving grants also must participate in an “entrepreneurial training program” as a requirement for receiving funds.

How do I apply?

Applicants may request an application form from DPEM by calling (845) 807-0527. Completed application forms must be submitted no later than **Friday, Feb 3, 2012** to be considered for funding.

Applications will be reviewed by a grant committee. Once the application is approved and a tentative grant amount is recommended, applicants will be enrolled in a mandatory **Entrepreneurial Training Program** beginning in March 2012. See training schedule on other side.

The owners (not the employees) of the micro-enterprise to be assisted by the grant must attend the entrepreneurial training program before they will be eligible for grant funding. This requirement applies to all participants, regardless if the business is new or expanding.

Applicants who are chosen to participate in the mandatory Entrepreneurial Training Program will be required to pay a fee of **\$100**. This training program fee will be reimbursed to the applicant once they have completed a full application and been awarded a micro-enterprise grant by the grant review committee. The grant review committee will have the sole authority to set the final grant amount based on the needs of the applicant and availability of funds.

For more information or to obtain an application, please call the DPEM office at 845-807-0527 or email them at planning@co.sullivan.ny.us

Sullivan County Division of Planning & Environmental Management CDBG Microenterprise Grant Program

Sullivan County's **Microenterprise Assistance Program ("MAP")** will target two of the small-business sectors identified as priorities for business development within the County, providing much-needed working capital for start-up ventures or expansion of existing businesses.

The two focus areas are: 1) businesses located within **downtown "Main Street" business districts**; and 2) **agricultural-related businesses**. This strategy responds to the diverse geography of the county and to the availability of funding resources in locally controlled revolving loan funds.

The County received \$185,000 in **NYS CDBG Economic Development Program** funds for this program and anticipates assisting ten (10) new or expanding businesses with local MAP grants. Total program costs, including owner-equity contributions, are anticipated to be \$200,000.

Businesses that qualify are eligible to receive grants ranging from \$5,000 - \$35,000 for their start-up or expansion "projects." Grants are intended as working-capital for equipment, inventory and operations, NOT for construction.

Program Rules and Guidelines

1. Businesses must contribute at least 10% of the cost of the project; MAP grants may not exceed 90% of the project cost.
2. Businesses receiving funding must create one (1) new job **offered to or made available to*** persons from low- or moderate-income (LMI) families** OR be owned by a person defined as LMI. (See National Objectives / LMI Limits below for definitions).
3. New jobs must start within the 24-month grant period (roughly Oct. 2011 – Sept. 2013).
4. Businesses receiving grants must participate in an "Entrepreneurial Training Program," as a requirement for receiving funds. Training dates will be announced shortly.
5. A minimum of 50% of grant funds will be awarded to start-up businesses.
6. Preference will be given to projects located in census tracts where the median income is at or below 80% of Area Median Family Income for Sullivan County.
7. Preference will be given to projects that maximize "leverage" by taking advantage of other grant and loan programs within the County.

The deadline for grant applications is **Friday, February 3, 2012**. County Planning will hold two public information sessions on the MAP program, Thursday, January 12 at 6PM in the Government Center in Monticello and Wednesday, January 18, 2012, at 6PM in the Callicoon Town Hall.

[Link to Information Brochure](#)

[Link to Program Guidelines and Application](#)

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 Sullivan County as \$60,500 in 2011. In order to qualify as LMI, persons must have combined family incomes below the following limits based on household size (i.e. # of persons):

Sullivan County, NY

FAMILY SIZE:	1 PERSON:	2 PERSONS:	3 PERSONS:	4 PERSONS:	5 PERSONS:	6 PERSONS:
INCOME LIMIT:	\$33,800	\$38,600	\$43,450	\$48,250	\$52,150	\$56,000

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.

PROGRAM GUIDELINES

The **Sullivan County Microenterprise Assistance Program** was made possible through an \$185,000 grant from the New York State Office for Housing and Community Renewal.

MISSION STATEMENT

The Sullivan County Microenterprise Assistance Program (MAP) will provide grants to eligible entrepreneurial, emerging, and existing businesses that want to establish or expand an existing business located within Sullivan County. Special attention shall be given to assisting businesses planned, owned or operated by or employing a significant number of persons of low and moderate income, businesses located (or to be located) on one of the County's designated Main Streets, or businesses related to agriculture. MAP will be administered by the Sullivan County Division of Planning and Environmental Management (DPEM).

ELIGIBILITY CRITERIA

- A. Applicants may be sole proprietors, partnerships, or corporations. Applicants must be new and existing commercial enterprises with five (5) or fewer employees, one (1) or more of which may be the principal(s) and own the enterprise at the time of application.
- B. Applicants' planned or existing business operations must be located within Sullivan County and be, or intend to be, a Main Street Business or an agriculture-related business.
Main Street businesses are defined as any business located, or to be located in a Main Street area as approved by DPEM.
Agriculture-related businesses are defined as farm operations, businesses that support farm operations (such as machinery dealers, seed dealers, feed suppliers, etc.), and businesses that sell or process value-added agricultural products (such as processed milk, cheese, meats, maple syrup, honey, etc.).
- C. Applicants' principal place of business must remain in existence and be located in Sullivan County throughout the term of the grant agreement or the grant recipient(s) may be required to repay the full grant portion of the award.
- D. All applicants, independent of existing skills and experiences, must complete a mandatory entrepreneurial training program that will take place in March/April 2012. Award of grant funds is conditioned on the successful completion of that program.
- E. Priority will be given to businesses owned or proposed by individuals with low-to moderate-incomes (LMI), businesses who employ LMI employees and/or to businesses located within LMI. In order to qualify as LMI, persons must have combined family incomes below the following limits based on household size:
FAMILY SIZE: 1 person: 2 persons: 3 persons: 4 persons: 5 persons: 6 persons:
INCOME LIMIT: \$33,800 \$38,600 \$43,450 \$48,250 \$52,150 \$56,000
- F. Applicants must be able to fulfill the 10% owner cash equity contribution for the proposed project as further defined below under Amounts and Terms.

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

APPLICATION REVIEW PROCESS

- A. All applicants must use the attached application form and format for MAP applications and provide all information and documentation as identified therein.
- B. All applications should be submitted to
Sullivan County Division of Planning & Environmental Management
Att.: Microenterprise Assistance Program
100 North Street
Monticello, NY 12701
- C. The deadline for all applications is Friday, February 3, 2012. 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 DPEM will review all applications for MAP funds to determine eligibility and completeness; and submit accepted applications to the MAP Review Committee with recommendation whether to approve or deny the assistance request.

- E. The MAP Review Committee will meet to evaluate all submitted applications and to decide on the assistance requests. Decisions on assistance requests will be made prior to May 1, 2012 after submission of a complete application. Applicants will be informed in writing of the decision of the MAP Review committee.
- F. The MAP Review Committee will review all complete applications based on the following rating criteria (100 total points):

Pre-Training (60 Total possible points)

- 0-10 Project Costs reasonable and justified
- 0-10 Business Contribution/Owner Equity (must be at least 10% of project cost)
- 0-10 Owner qualifications, background and financial standing
- 5 Job Timeframe (jobs must start within 24-month grant period and sustain 3 year monitoring)
- 5 Business Start-Up (50% of funds dedicated to start-ups)
- 10 Low-to-Moderate Income Benefit (applicant or job creation must benefit LMI)
- 0-10 Project location is in a Census Tract with median income at or below 80% (Monticello, Liberty, South Fallsburg Core Downtown Areas)

Post Training (40 Total possible points)

- 10 Completion of Training Program (required)
- 0-10 Completeness of Business Plan & Project Proposal
- 0-5 Project leverages other funding resources available in the County
- 0-5 Identified market need/demand potential (long-term sustainability and development potential)
- 0-10 Spin-off effect to other businesses

USES OF PROGRAM FUNDS

- A. MAP funds must be justified and be used directly by the applicant to purchase capital goods, including machinery, furniture, fixtures, equipment; and/or to provide working capital to support operations.
- B. MAP 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 DPEM 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. The MAP 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.
- B. The MAP Review Committee may award up to 90% of total project cost, however, cash equity participation from the applicant is required at a minimum rate of 10%, and combinations with other funding sources (commercial lenders and/or non-traditional programs) are anticipated. For example, if your grant request is for \$10,000, business owners must contribute at least \$1,000 of their own money to the project.
- C. Businesses that cease to exist or relocate to an area outside of the eligible district as defined by DPEM during the term of the grant agreement may be required to repay the full grant portion of the award. The MAP Review committee may, on a case-by-case basis, determine a grant repayment amount that is smaller than the original grant amount.
- D. For each grant awarded, at least one (1) full-time-equivalent (FTE) job must be created for a Low-to-Moderate Income (LMI) person, or the business owner must be considered LMI .

SPECIAL CONSIDERATIONS

- A. The MAP 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 decisions. Where they exist, these issues will be considered by the MAP 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).

APPLICATION FEES AND ASSOCIATED COSTS

Applicants who are chosen to participate in the mandatory Entrepreneurial Training Program will be required to pay a fee of **\$100**. This training program fee will be reimbursed to the applicant once they have completed a full application and been awarded a micro-enterprise grant by the grant review committee.

(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 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	Requested Grant Funds
Working Capital				
Fixtures				
Equipment				
Machinery				
Inventory				
Other _____				
TOTAL				

Total grant amount may not exceed \$35,000; grant may not exceed 90% of total project costs.

Application Checklist: (please check each box and attach these materials)

- Completed and signed application
- Business Plan (if available)
- Copy of Certificate of Incorporation, D/B/A certificate, partnership filing, or joint venture agreement
- Signed Letter of Agreement
- Personal Financial Statement and/or tax returns for the past two (2) years – signed copies (business & personal)
- Documentation to support use of funds and amount requested (*quotes, cost estimates, sales brochure*)
- Any other documents you feel would help this application (*marketing materials, references, etc.*)

Signature: _____

Witnessed by: _____

Name: _____

Name: _____

(Sullivan County DPEM staff)

Date: _____

Date: _____

**SULLIVAN COUNTY MICROENTERPRISE ASSISTANCE PROGRAM
LETTER OF AGREEMENT**

I understand and by signing agree:

- that the Sullivan County Microenterprise Assistance Program (MAP) 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 90% of the project cost.
- that the County may decline my application for any reasonable cause;
- that I will participate in the **required** training course "Entrepreneurial Training Program" 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 LMI persons. In order to qualify as LMI, persons must have combined family incomes below the following limits based on household size:
FAMILY SIZE: 1 person: 2 persons: 3 persons: 4 persons: 5 persons: 6 persons:
INCOME LIMIT: \$33,800 \$38,600 \$43,450 \$48,250 \$52,150 \$56,000
- that the Committee must review and approve any changes or alterations proposed to my project, after the initial approval is given.
- that the County, the Division of Planning and the MAP 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 this 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 10% cash equity match, for the purposes of this program;
- that businesses which cease to exist or relocate to an area outside of the eligible district during the term of the grant agreement may be required to repay the full grant portion of the award. The MAP Review committee may, on a case-by-case basis, determine a 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 ALL IMPROVEMENTS WILL BE CONDUCTED IN CONFORMANCE WITH THE EXISTING LOCAL AND STATE BUILDING CODES and that proof of compliance will be made available on request.

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: _____

(Sullivan County DPEM staff)

Date: _____

Date: _____

CREDIT RELEASE

I hereby request and authorize you to release to Sullivan County Division of Planning & Environmental Management for verification purposes, personal and corporate credit 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 #: _____

DPEM is not responsible for the information contained in the credit report. The correctness of the information resides with the reporting agency and the requester. Any questions regarding information contained in the report should be directed to the reporting agency.