**City of Northampton Small Business Emergency Grant Program**

**Administered by**

**Valley Community Development Program**

**Policies and Guidelines**

**If you require reasonable accommodation or translation services to complete this application, please direct your inquiry to** **grants@valleycdc.com** **or if email is not available to you, then to Julia Zegarra, 413-586-5855 ext. 170.**

**Program Summary and Business Assistance Purpose**

The City of Northampton through Valley Community Development Corporation will provide financial assistance grants to business owners. The purpose of these grants is to provide funds to low-moderate income businesses or businesses with low-moderate income employees to assist them in remaining open, as well as stimulating and adapting their businesses during the COVID-19 crisis and beyond.

The City is utilizing federal Community Development Block Grant (CDBG) funds for these grants thus assistance must be compliant with federal regulations. The City is providing $125,000 in grants for this Program.

**Eligibility Criteria**

A business owner/business may qualify for a grant provided it meets all of the following criteria:

1. Business must be located in the City of Northampton
2. Business has been operating for at least one (1) year as of March 1, 2020
3. Business must be a for-profit business (non-profit entities are not eligible). Home-based businesses are eligible.
4. Business must be in operation, even if working remotely due to COVID-19, or was in business in the last 30 days and can reopen.
5. The business must have 10 or fewer employees, including the owner and part-time and full-time employees on the business payroll at the time of program application submittal
6. The business owner(s)’s household must be low/moderate income or at least 51% of their employees must be employed in low/moderate income positions. Total household income is to be calculated/projected for the coming 12 months effective the date of application.

**Maximum Income Allowed by Household Size:**

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| Household Size | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 |
| Income | $49,700 | $56,800 | $63,900 | $70,950 | $76,650 | $82,350 | $88,000 | $93,700 |

1. Businesses must submit a 2019 Profit and Loss Statement. A template is provided in the application or you may use your own Profit and Loss Statement.
2. The business owner/business must be in compliance with the Commonwealth of Massachusetts and the City of Northampton in regard to taxes, reporting of employees and contractors, and withholding and remitting child support. The grant application will include a certification to that effect. **NOTE:** The City of Northampton has extended dates for payments of personal property, real estate, motor vehicle excise taxes and water and sewer and stormwater utility bills from May 1, 2020 until June 1, 2020.

**Feasibility**

Business must be able to demonstrate that the financial assistance provided will enable the business to continue to operate and/or adapt their business for another use. Business will be required to submit a 2019 Profit and Loss Statement and answer all questions regarding the business in the application.

**Permitted Uses of Grant Funds**

1. Equipment
2. Inventory
3. Materials and Supplies
4. Machinery
5. Services

**Prohibited Uses (not exhaustive)**

1. Working capital
2. Rent/mortgage
3. Utilities
4. Salaries
5. Vehicle purchase/lease
6. Paying tax liens
7. Paying outstanding debt
8. Construction

**Grant Details**

1. Maximum grant: $9,999
2. Minimum grant: $2,500
3. City expects to distribute between 20-25 grants with an average grant of $5,000
4. Applications to be accepted and reviewed on a first come, first eligible, first completed basis, subject to availability of funding
5. Valley Community Development is responsible for accepting, reviewing and approving businesses for grants
6. Currently the City of Northampton is waiting on more details from HUD via CARES regarding this funding from the federal government. Once this is finalized and Valley Community Development approves a business for a grant, the City will execute a grant agreement with the business and checks from the City will be distributed within approximately two (2) weeks after full execution of grant agreement.

**Compliance**

A formal grant agreement between the City of Northampton and the business will be required. This agreement will constitute the means by which the City enforces compliance with federal program requirements. The City’s Office of Planning and Sustainability is required to conduct regular monitoring of each business to ensure compliance with grant agreement.

The grant will require repayment only if the terms of grant agreement are not met. Terms of the grant include documentation of the product or service that was purchased with the funds and usage of the grant within a specific amount of time, less than two (2) months from the time of acceptance.

**Submittals**

Your complete application along with required attachments can only be submitted electronically through Valley Community Development’s website link to the application. If anyone needs assistance accessing the application via the website please contact grants@valleycdc.com, although this may slow your application process.