

City of New Britain
**MICROGRANTS
PROGRAM**

Grant Application Package

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Office of Economic Development

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MicroGrants Program Policies & Procedures

I. Grant Terms

a. Funding Dynamics

- i. Funds sourced from federal Housing and Urban Development Community Block Grant (CDBG) funding
- ii. Assistance is structured as a forgivable loan that becomes a grant upon fulfillment of time statute
- iii. Time statute requires location in and active operation of business at physical space claimed upon original application for grant for 5 years from date of award
- iv. Loan shall be forgiven in 20% increments annually on the anniversary of the loan provided business demonstrates continued occupancy and operation at location
- v. A uniform commercial code (UCC-1) shall be placed on the equipment purchased until the loan is forgiven in full
- vi. Business must submit annually a copy of their insurance policy citing extant operations at same address as claimed in original grant application with the City of New Britain named as additional insured
- vii. Should business cease operations at any point during the 5-year cycle, the delta of unforgiven funds must be repaid to the City of New Britain within 90 days
- viii. Sign-off from the property owner is required if business owner does not own property and if project requires making modifications to the property
- ix. Businesses with current MicroGrants may not apply for additional funding through the program until entire 5-year lifespan of current grant expires
- x. Maximum grant funding amount is \$7,500
- xi. Funding is reimbursement following DPD approval of quotes/vendors per grant requirements

b. Project Scope

- i. Eligible costs include only physical equipment purchases, *installation services, contractor and labor costs are ineligible*
- ii. Eligible purchases include:
 1. Signage
 2. Security Systems
 3. Equipment (production equipment and select critical amenities)
- iii. Business should solicit 3 quotes from vendors for proposed purchases
 1. Quotes, estimates, and invoices must itemize any labor or installation costs separately from equipment, if provided by same vendor

II. Business Eligibility

a. Financial

- i. Business must be able to demonstrate history of sufficient cashflow and/or sufficient reserves to finance rent payments for duration of loan (2 years of business returns, 3 years for self employed)



- b. Real Estate
 - i. Business must have current physical location
 - ii. Business must be located in a mixed use or commercial building in a commercial suite; no home occupancy businesses are eligible
 - c. HUD Requirements
 - i. Business must be located in a Neighborhood Revitalization Zone (NRZ)
 - ii. Business must create or retain at least 1 low-income job (*Full Time only*)
 - iii. Business must be generally classified as a “neighborhood service”
- III. Submission Procedures
- a. Semi-annual grant cycles with strict 30-day submission window
 - b. Required Documentation
 - i. Proof of site control (lease or deed)
 - ii. Business filings (status, incorporation information, and tax identification numbers)
 - iii. Financial statements (2 years of complete tax returns, current profit and loss, cashflow statements, and reserves)
 - iv. Completed Credit Report Request form
 - v. Estimated cost of purchase, including any preliminary quotes from vendors
 - vi. W-9
- IV. Selection Criteria
- a. Threshold Criteria: must meet all requirements under § II. *Business Eligibility*
 - b. Completeness of Application: 15 pts
 - c. Financials: 20 pts
 - d. Location: 20 pts
 - e. Statement of Need: 30 pts
 - f. Project Description: 15 pts
 - g. TOTAL: 100 pts
- V. Additional Resources
- a. Application
 - b. Program Brochure
 - c. Map of NRZs
 - d. Credit Report Request Form
 - e. Personal Financial Statement Form

MicroGrants Program funding allocation and policies and procedures approved by the Commission on Community and Neighborhood Development (CCND) of the City of New Britain on July 14, 2022.

MicroGrants Program

Grant Application



NAME

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FIRST *LAST*

PHONE

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EMAIL

--

HOME
ADDRESS

--

BUSINESS
ADDRESS

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STATEMENT
OF NEED

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PROJECT
DESCRIPTION

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Additional Required Documentation

Grant application will be considered incomplete and ineligible if sufficient supporting documents and materials are not provided.

- Proof of site control (lease or deed)
- Business filings (status, incorporation information, and tax identification numbers)
- Financial statements (2 years of complete tax returns, current profit and loss, cashflow statements, and reserves, 3 years for self-employed & W-9)
- Completed Credit Report Request form
- Estimated cost of purchase, including any preliminary quotes from vendors