

Raymond Community Development Block Grant

Response to the Coronavirus

General Information

The Town of Raymond will be submitting a grant on the behalf of the Raymond small business community to assist with financial hardships brought on by the Coronavirus.

Cumberland County is accepting applications from local towns for the designated funds set aside for businesses as part of the US Department of Housing and Urban Development. The Town of Raymond will act as the administrator of the grant by submitting one grant for the town and distributing funds and necessary documentation if the grant is awarded.

The areas we will be accepting applications for are:

- a. Micro-enterprise loan /grant program - Small grants for businesses owned by LMI person who has suffered financial hardship due to the Coronavirus.
- b. Small business job creation or retention- financial assistance to small business that employee LMI persons. Must prove you are hiring new employees to grow your business or at risk of losing employees because of the Coronavirus.
- c. Food Assistance Programs with the Raymond Food Pantry

Maximum of request is \$20,000 per business with a minimum request of \$1,000.

A report of your project with monies spent will be due 70 days once funds received.

Applicants must be received by May 1, 2020. Award notification will be done in June 2020 with money to be awarded un July 2020.

Businesses that have been awarded a PPP- Payroll Protection Program grant are not eligible for this

Here is some of the Language and Program Requirements from the Cumberland County grant.

2020 SMALL BUSINESS RELIEF GRANT PROGRAM- In response to the economic hardships experienced by small businesses resulting from the COVID-19 pandemic, the Cumberland County is launching the 2020 Small Business Relief Grant Program in an effort to retain jobs and stabilize local businesses. The primary Community Development objectives of assistance to low- and moderate-income persons will be achieved as grants to retain jobs. This Program is a gap financing program in response to the Covid 19 outbreak for businesses that have lost business as a result of social distancing.

It is also intended to support businesses that want to open new lines of business in response to the crisis, such as manufacturing medical supplies needed to respond to the disease or providing cleaning or in-home health services. The Cumberland County Department of Community Development has modified existing economic development programs to create a combined funding mechanism that will serve businesses with up to seventy-five (50) employees at the time of application.

2019 HUD LOW/MOD INCOME HOUSEHOLD THRESHOLDS HUD Low to Moderate Income (LMI) Guidelines for Raymond.

Number in Household

1	\$19,550 to \$52,100
2	\$22,350 to \$59,550
3	\$25,150 to \$67,000
4	\$27,900 to \$74,400

Up to 8 persons in household- \$26,850 to \$98,250

ELIGIBLE APPLICANTS

- Eligible applicants must have a registered business address in the Cumberland County Entitlement Jurisdictional boundaries.

INELIGIBLE APPLICANTS

- An ineligible existing business applicant is one that has a physical business location or registration outside of the Cumberland County jurisdictional boundary.
- Other ineligible businesses include payday grant businesses, liquor and tobacco stores, pawn shops, firearm or other weapons dealers, adult entertainment, passive real estate investments, or home-based businesses operating without appropriate zoning and/or permits. 2.6

ELIGIBLE USE OF FUNDS Micro-enterprise loan /grant program. The Cumberland County will review the project scope of work submitted in the application. Grants are restricted to certain eligible costs, especially those related to basic operating capital for leasing space, insurance and/or utilities, and staff salaries.

As secondary requests, the County will also consider requests for inventory, supplies, furniture, software, construction costs less than \$2000.

- Purchasing inventory, supplies, accounting and inventory software, furniture, fixtures, and equipment
- Rehabilitation of owner-occupied or leased space (maximum \$2000 construction costs)
- Professional services including engineering, architectural, local permits or fees, business consulting services as approved by County staff
- Equipment purchase (with or without installation costs)
- Refinancing of existing business debt in conjunction with financing other eligible costs

INELIGIBLE USE OF FUNDS In addition to CDBG-ineligible costs outlined in 24 CFR 570, funds under this Program may not be used to:

- Reimburse expenses incurred prior to Applicant approval of grant or grant.
- Pay off non-business debt, such as personal credit cards for purchases not associated with the business.
- Purchase personal expenses such as buying a new family car or making repairs to a participant's home.
- Direct financing to political activities or paying off taxes and fines.
- Purchase personal items or support other businesses in which the borrower may have an interest.
- Construction fees over \$2,000

JOB RETENTION/CREATION For the Relief Program, priority will be given to applicants that commit to retaining employees or jobs. Unless a business applicant's owner is a member of a low-/moderate-income household and the business qualifies as a HUD-defined microenterprise, then retention or creation of at least one job held by a low-/moderate-income household is required to access funds in this program. Job retention is defined as total full-time equivalent positions retained at 40 hours per week, or any combination of part-time positions combining for 40 hours per week, including owners. At least 51% of the positions retained must be or created must be held by employees who are members of the LMI household.

QUESTIONS – Please contact covid19@raymondmaine.org