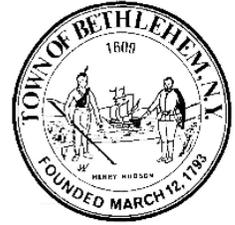


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Town of Bethlehem Microenterprise Grant Program 2025

Program Guidelines

The Town of Bethlehem Microenterprise Grant Program was made possible through a \$200,000 grant from the New York State Office of Homes and Community Renewal. The Town of Bethlehem Microenterprise Grant Program will provide grants to eligible Microenterprises, emerging, and existing businesses that want to locate in or expand within the Town of Bethlehem. The Town of Bethlehem anticipates that a minimum of ten (10) businesses will be assisted with the awarded grant funds. Of these, five (5) will be businesses that create a job for low-to moderate (LMI) persons and five (5) will be businesses owned by LMI persons.

During the application and subsequent grant implementation, the Town of Bethlehem will work with all Microenterprises within the Town to identify additional funding sources and assistance programs that may be available to them. The Town will support business owners to engage in training opportunities to strengthen their business skills. The Town will be a resource for businesses to ensure the success and longevity of Bethlehem businesses.

Section 1: Program Administration

The Town of Bethlehem Department of Economic Development and Planning (DEDP) will serve as the Program Administrator of the Town of Bethlehem Microenterprise Grant Program. The DEDP will be responsible for marketing the program, accepting and processing applications, documenting participant Community Development Block Grant (CDBG) income eligibility, number of employees and setting up the participant files to document services and eligible costs. The DEDP will work with applicants to ensure compliance with the program guidelines.

Section 2: National Objectives/LMI Limits

Federal standards require that a portion (51%) of CDBG program funds must benefit persons defined as low-to-moderate income (LMI) based on federal "HUD" standards, equivalent to 80% of the HUD Area Median Family Income (AMFI). HUD defines the AMFI for Albany County as \$116,100 for FY 2025. In order to qualify as LMI, persons must have combined family incomes below the limits as listed in Attachment 1 based on household size. To meet these national objectives the Microenterprise Program will award funds to business owners who qualify as LMI or to businesses who create at least one new FTE position for an employee who qualifies as LMI.

Section 3: Eligibility Criteria

1. Applicants must be a private for-profit business entity; corporation, partnership, or sole proprietorship that is legal, licensed and operating (or will be at the start of the grant).
2. Applicants must be new or existing businesses with five or fewer employees (including both full-time and part-time positions) one or more of which may be the owner of the business at the time of application.
3. Applicants' future or existing business location must be within the Town of Bethlehem.

Section 4: Program Rules and Guidelines

1. Businesses must be located, or intend to locate, within the Town of Bethlehem. Proof of Bethlehem location shall be provided prior to receiving grant funds.
2. Businesses must contribute at least 10%, in cash equity, of the cost of the project; Microenterprise Grant Program funds may not exceed 90% of the project cost.
3. Businesses receiving funding must create one (1) full time equivalent (FTE) 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 (see Attachment 1 for income limits). Verification of income status shall be completed by new employees and potential employees on Family Income Forms provided by the Town of Bethlehem. LMI business owners must submit verification through tax returns as part of their application.
4. New jobs must start within the 24 month grant period, which begins on the executed contract date between the Town of Bethlehem and New York State. Businesses must report back to the Town on jobs and 51% of total jobs must benefit LMI persons.
5. Grant funds must be used directly by the applicant to purchase capital goods, including machinery, furniture, fixtures, equipment, software, and/or to provide working capital to support business operations. These funds must be used within the 24 month grant period, which begins on the executed contract date between the Town of Bethlehem and New York State.
6. Previous grant recipients can apply for a second time. If the owner qualified as the LMI individual for job creation, as a repeat recipient the business must create at least one (1) full time equivalent (FTE) new job offered to or made available to persons from low-to-moderate income (LMI) families.
7. Grant recipient's business must remain in existence through the term of the grant agreement or the recipient may be required to repay up to the full award amount as determined by the Microenterprise Grant Application Review Committee.
8. Grant recipient's principal place of business shall be located in the Town of Bethlehem throughout the term of the grant agreement or the applicant will be required to repay the full award amount.
9. Grant recipient must complete an approved Entrepreneurial Training Program prior to receiving funds. See Attachment 4 for additional details on the training program requirements.
10. A minimum of 50% of grant funds shall be awarded to start-up businesses. A start-up business is defined as business that has been in operation for less than six months at time of application.
11. All personal and business financial information will be kept confidential. Program participant's personal and business confidential information will be kept in secured physical and/or electronic files.

Section 5: Application Review Process

1. All applicants shall complete the attached Town of Bethlehem Microenterprise Grant Program application form.
2. All applications shall be submitted to:

Town of Bethlehem Department of Economic Development and Planning
Bethlehem Town Hall
Attn: Senior Economic Developer
445 Delaware Avenue
Delmar, New York 12054

3. First round of applications will be accepted from October 1, 2025 to December 15, 2025. Depending on available funds a second round may be conducted March 1, 2026 to May 31, 2026.
4. The Town of Bethlehem Department of Economic Development and Planning (DEDP) Staff will review applications to determine eligibility and completeness. DEDP staff will contact applicants regarding missing information or to seek clarification on information provided.
5. Following the DEDP review, the application will be shared with the Microenterprise Grant Application Review Committee. The Grant Application Review Committee will review each application and forward recommended applications to the Town Board for their consideration of approval.
6. All applicants will be notified in writing as to the status of their submission.
7. Applicants that do not receive a grant award can contact the DEDP to discuss their application and identify opportunities for improvement or other available funding resources.

Section 6: Application Review Criteria

The decision whether to make a grant award will be a judgment about the probability of the business succeeding and whether the project furthers the economic development goals of the Town of Bethlehem. All applications will be reviewed and preference will be given to those that:

1. Are owned or proposed by individuals who are low-to moderate income persons (LMI). In order to qualify as LMI, persons must have a combined family income below the limits based on household size as shown in Attachment 1.
2. Maximize “leverage” by taking advantage of other grant and loan programs.
3. Show a commitment to utilize services and/or equipment from other businesses located within Bethlehem and/or reinvest in the Bethlehem community.
4. Show a commitment of funds for required 10% cash equity.
5. Demonstrate the reasonableness of project costs.
6. Create high quality, well-paying jobs available to LMI individuals.

Other Considerations for Review

1. First time applications will be given preference over previous grant recipients depending on fund availability.

2. The Town of Bethlehem Microenterprise Grant Program is intended as a financial assistance program for applicants with limited personal assets, little or no usable collateral, and/or credit rating below those that commercial lenders would consider acceptable for financing decisions. Where they exist, these issues will be considered by the Microenterprise Grant Application Review Committee; but they are not, by themselves, factors in support or against an application.
3. Applications will be evaluated on the merits of the case as stated in the grant application.
4. The Town of Bethlehem Microenterprise Grant Program will be implemented in ways consistent with the Town's commitment to state and federal equal opportunity laws. No person or business shall be excluded from participation in, denied the benefit of, or be subjected to discrimination under any program or activity funded in whole or in part with program funds on the basis of their religion or religious affiliation, age, race, color, ancestry, national origin, sex, marital status, familial status, physical or mental disability, sexual orientation or other arbitrary cause.

Section 7: Use of Program Funds

1. Microenterprise Grant Program funds must be justified and be used directly by the applicant to reimburse the purchase of capital goods, including machinery, furniture, fixtures, equipment, software, and/or to provide working capital to support business operations. Applicants must provide bids or quotes as part of their application for any proposed goods and services that will be purchased with grant funds.
2. Microenterprise Grant Program funds cannot be utilized to reimburse purchases made prior to the award of the grant.
3. Microenterprise Grant Program funds shall not be used to purchase real estate; repay existing debt; undertake building façade or interior building renovations (any construction); or to make any investment or payment that is outside the scope of the business. Applicants are strongly encouraged to contact the DEDP with any questions about eligibility of proposed expenses.

Section 8: Amounts and Terms

1. All assistance will be provided in the form of a grant.
2. The Microenterprise Grant Application Review Committee will have the sole authority to set the grant award amount based on the determined need of the applicant and the availability of funds. First time grant awards will range from \$5,000 to \$35,000. Second time grant awards will not exceed \$45,000 combined amount of both awards.
3. A Microenterprise Grant Agreement between the Town and the Microenterprise owner(s) will be executed prior to the disbursement of any funds. This agreement will detail the terms and conditions of the funding.
4. The Microenterprise Grant Application Review Committee may award up to 90% of the total project cost, however equity participation from the applicant is required at a minimum rate of 10%. Combinations with other funding sources are anticipated and encouraged.
5. Businesses that cease to exist during the term of the grant agreement may be required to repay the full grant or a portion of the award. Determinations on the amount of the grant award required to be repaid will be made by the Microenterprise Grant Application Review Committee. Businesses that relocate outside of the Town of Bethlehem during the term of the grant agreement shall be required to repay the full grant amount.

6. For each grant awarded, at least one (1) full-time-equivalent (FTE) job must be created for a Low-to-Moderate (LMI) person, or the business owner must be considered LMI.

Section 9: Disbursement of Funds

Grant funds will be disbursed based on a mutually agreed upon schedule between the DEDP and the applicant following the approval of the applicant's application. Grant assistance will be based upon documented incurred costs. Please note, the type of documentation required will vary based upon the expense, i.e. equipment/working capital/inventory, etc.

All activities funded with CDBG funds for the Microenterprise Grant Program require environmental review. The level of environmental review depends on the scope of work not only for the proposed project, but also for any projects occurring at the business location concurrent with the grant timeframe.

Section 10: Associated Costs – Entrepreneurial Training Program

All recipients must complete an approved Entrepreneurial Training Program. Any fees incurred related to completion of an approved Training Program will be reimbursed. This training program fee will be reimbursed to the applicant once the training is completed. The Town of Bethlehem partners with The Community Loan Fund and others to provide this training.

Section 11: Marketing & Supporting Activities

The Town of Bethlehem DEDP will be responsible for marketing the Microenterprise Grant Program. The DEDP will hold two public information sessions on the Microenterprise Grant Program at accessible locations. The public information sessions will include an overview of the Microenterprise Grant Program as well as instructions on how to complete the application and what additional documents are required. Town DEDP staff will also present on the reporting requirements that are required and provide necessary forms for completion. These sessions will be promoted with a press release and on the websites and newsletters associated with the Town, the Bethlehem Chamber, and the Bethlehem IDA.

The Town will advertise the Microenterprise Grant Program on the Town's website with links to the program guidelines and application. The Town will also partner with the Bethlehem Chamber of Commerce and Bethlehem IDA to provide program information on their websites and promote the program through their use of electronic newsletters. Information sessions will be offered during regular Bethlehem Chamber programming (i.e. networking groups, leads groups). In addition, paper applications will be available at Town Hall for interested applicants.

The Senior Economic Developer will be available to businesses to discuss their individual questions and guide them through the application process when additional assistance is requested.

Attachments

1. Income Limits for Albany County as determined by the US Department of Housing and Urban Development
2. Obtaining an Unique Entity ID (formerly DUNS)
3. Application
4. Entrepreneur Training Program Requirements

Attachment 1 – Albany County LMI Limits, FY 2025

Table 1 – Albany County, New York – FY2025 Income Limits								
Family Size	1	2	3	4	5	6	7	8
Income Limit	\$65,050	\$74,350	\$83,650	\$92,900	\$100,350	\$107,800	\$115,200	\$122,650

The Applicant/Business Owner or the employees will be considered eligible within LMI limits if the family’s **gross annual** income does not exceed the maximum income for that family size. Example, a family who has two adults and three children (total family size of 5); the income opposite the number “5”, which is \$100,350, is the maximum income that family can earn to be eligible. If the family’s gross annual income is less than this they are qualified as LMI for this project. If the family’s gross annual income is greater than this, they do not meet the LMI test. Family is defined as those persons in the household that are related by marriage, birth or adoption. Family and household is not always the same thing. If you need assistance determining if an applicant/business owner is eligible, please contact Brianne Conner, Senior Economic Developer for the Town of Bethlehem.