

Clinton Microenterprise Stabilization Assistance Fund (MSAF)

The Town of Clinton has established the Microenterprise Stabilization Assistance Fund (MSAF) to assist microenterprises – defined as businesses that have five or fewer employees, including the owner(s). The Town has \$100,000 in Massachusetts CDBG Program funds to distribute to microenterprises that have been affected negatively by the COVID-19 pandemic. The maximum assistance per business is \$15,000. The financial assistance will be in the form of grants, and will cover certain types of business operating costs. Eligibility requirements are listed below. To qualify for assistance, an owner's family income also must fall with federally defined low- or moderate-income limits.

Form of Assistance and Permitted Uses of Funds

- Maximum assistance: \$15,000 per business (average amount is expected to be less than the maximum).
- Priority will be given to businesses that have laid off, furloughed or reduced hours of employees.
- Assistance will be in the form of a direct grant.
- Assistance will cover up to four (4) months of “usual” operating costs.
- Allowance of up to \$1,000 for professional services (bookkeeping, accounting or legal services) to assist businesses to access other sources of financial and technical assistance.
- Assistance of up to \$1,000 may cover costs needed to get business established on-line (conditioned on specific business type and actual cost) or other types of technical/professional assistance intended to improve the viability of the business (e.g., business planning, marketing, consolidation of debt into lower-cost loan products).

Eligibility Requirements

- Owner(s) current family income must be at or below the “Low Income” tier of area median income, adjusted for family size (see income table on next page).
- The business must be a for-profit entity that operates from a physical location within Clinton (owner[s] do not need to be Clinton residents).
- The business must have been established and in operation prior to April 1, 2020.
- The business is not party to federal, state, or local litigation.
- The business and/or owner shall have valid active licenses/registrations, as required.
- The business must provide goods or services to multiple customers or clients.
- The business shall be current with any required municipal payments, and state and federal tax payments as of February 29, 2020.
- The business must demonstrate a decrease in gross revenue/sales of 25% or more from the same timeframe in the prior year. Wherever possible, the six-

month period ending June 30, 2020 will be used to make this determination. The Town will consider other time periods on a case-by-case basis.

- The determination of the business qualifying as a microenterprise will be based on the number of employees (full- and part-time) at the time of application. Businesses must have one employee in addition to the owner(s)
- Business must be able to document a loss of income equal to or greater than requested assistance due to COVID-19.

Non-Eligible Uses of Funds / Ineligible Businesses

- Reimbursement of business expenses and costs paid prior to the date that the MSAF was submitted.
- Payment of unpaid bills and debt incurred prior to date of MSAF application.
- Renovation, remodeling, or expansion of business facilities. The exception to this is modification of space to comply with COVID-19 distancing or protective requirements.
- Businesses engaged in illegal business activities.
- Owners or businesses with pending criminal actions.
- The following types of business are not eligible for MSAF assistance:
 - Entities (including those personally-held) holding title to income-producing rental real estate
 - Businesses owned by persons under age 18
 - Chain businesses (unless franchisee of a single business)
 - Liquor stores
 - Cannabis-related businesses
 - Lobbyists

Qualifying Income Limits (July 2020)

# of Persons in Family	1	2	3	4	5	6	7	8
Extremely Low Income (30%)	\$20,650	\$23,600	\$26,550	\$29,450	\$31,850	\$35,160	\$39,640	\$44,120
Very Low Income (50%)	\$34,400	\$39,300	\$44,200	\$49,100	\$53,050	\$57,000	\$60,900	\$64,850
Low Income (80%)	\$54,950	\$62,800	\$70,650	\$78,500	\$84,800	\$91,100	\$97,350	\$103,650