

VILLAGE OF ELMIRA HEIGHTS

MICROENTERPRISE PROGRAM GUIDELINES

Funded by: NYS Office of Community Renewal under the
Community Development Block Grant Program

I. Program Overview and Purpose

The Village of Elmira Heights' Microenterprise Assistance Program (MAP) provides training and financial assistance (grants) to entrepreneurs, start-up businesses, and existing businesses. The primary goal is to create opportunities or jobs for low-to-moderate income (LMI) persons.

The Program specifically targets LMI entrepreneurs who lack access to traditional sources of capital or financing. Assistance is intended to result in the creation of new jobs, of which at least 51% are taken by or made available to LMI persons.

II. Microenterprise Definition and Eligibility

According to the New York State funding source, a Microenterprise is a commercial enterprise that must meet the following criteria at the time of application:

A. Microenterprise Definition

- **Size:** Must have five (5) or fewer employees, including the principal owner(s) and all full-time and part-time staff.
- **Ownership:** One or more of the five or fewer employees must be the principal owner(s).
- **Legal Status:** Must be a private, for-profit business entity (corporations, partnerships, or sole proprietorships). The entity must be legal, licensed, and operating.
- **Ineligibility:** Nonprofit entities are NOT eligible.

B. Location and Application Eligibility

To be eligible for assistance, applicants must:

- **Location:** Have planned or existing business operations located within the boundaries of the Village of Elmira Heights. The location must be properly zoned for the proposed use, and the applicant must have site control (ownership or a lease with a five-year minimum term).
- **LMI Requirement:** Meet the LMI test in one of two ways:
 1. **Owner LMI Status:** The business owner's household income is at or below the applicable LMI limit.
 2. **Job Creation:** The project creates new jobs, and a majority (51% or more) of those new jobs are taken by or made available to LMI persons.
- **Equity Contribution:** Provide a minimum 10% owner cash equity contribution toward the total project cost. This contribution cannot be in the form of debt and must be documented at the time of application.
- **Taxes and Fees:** All Village obligations, including taxes, water, and sewer charges, must be current for both the business and the owner(s).
- **Training Requirement:** Complete a mandatory OCR-approved entrepreneurial training program prior to receiving funds.

- Documentation: Submit a full application package, including a business plan and cash flow statements. Applicants should apply for a Unique Entity Identifier (UEI) prior to submission.

C. Conditions for Job Creation

- LMI Business Owners: Job creation may not be required, unless the applicant previously received funding through a prior MAP or similar grant. Repeat applicants must create at least one Full-Time Equivalent (FTE) job.
- Non-LMI Business Owners: Must create at least one FTE job (37.5–40 hours per week). Part-time positions may be combined to meet the FTE requirement.
- Existing Businesses: Must demonstrate how the requested funds will increase profitability and/or provide new services or products that generate additional revenue.

III. Financial Assistance and Disbursement

A. Award Structure

- Funding Range: The total assistance available per project is \$5,000 to \$35,000.
- Funding Type: Assistance is provided as a Grant Agreement, which acts like a grant with no monthly repayment required.
- Recapture: All or a portion of the grant is subject to recapture if the business closes or relocates outside the Village within five (5) years of project completion.
- Funding Limit: The Village can fund up to 90% of a project's cost, up to the maximum award of \$35,000.
- Reimbursement Basis: This is a reimbursement program. Recipients must be approved before any items are purchased. A maximum of two disbursement requests are permitted per project. All invoices and proof of payment will be collected and submitted to the State funding source for reimbursement.
- Any items purchased prior to approval will not be eligible for reimbursement.

B. Justification for Funding

Since funding is limited, applicants must carefully justify the need for grant funds in their business plan. All items requested should be listed in order of priority, as awards may be less than the amount requested.

IV. Eligible and Ineligible Uses of Funds

☑ Eligible Uses of Funds	✗ Ineligible Uses of Funds
Machinery, Equipment, Furniture & Fixtures (secured by a UCC filing).	Payment on or refinancing of existing debt or interest on interim financing.
Working Capital ("soft costs") — specific use(s) must be detailed.	Any activity that will result in the loss of a job or reduction of hours for an existing employee.
Inventory (secured by a UCC lien).	Purchase or lease of motor vehicles.

☑ Eligible Uses of Funds	✗ Ineligible Uses of Funds
Software specifically related to business activity.	Purchase of alcohol, tobacco, or tobacco-related products.
Acquisition of real property (discouraged but requires consultation).	Construction, building renovations, and/or improvements or other labor-related activities (generally).
Other uses deemed appropriate by the STATE and eligible by the funding source.	Religious or political activities, lobbying, and/or governmental activities.
	Costs incurred prior to approval of the grant award.
	Other objectionable businesses (e.g., adult entertainment or gambling).

Note: Awarded funds cannot be advanced to Participants prior to purchase.

V. Application Review and Agreement

A. Review Process

All applications are reviewed, evaluated, and ranked by a local committee based on established program criteria. Grants are awarded to the highest-scoring applicants. The scoring system prioritizes specific factors (see MAP Priorities section).

- Final Approval: All awards are subject to review and authorization by the New York State Office of Community Renewal (OCR).
- Project Pitch: Applicants may be requested to provide a short presentation or "pitch" to the Review Committee.

B. MAP Priorities

The program prioritizes businesses that score highly on the following criteria:

- Owner Demographics: LMI Owner, Diverse Ownership (Minority, Woman, and/or Veteran), and Owner Experience.
- Business Stage: Start-Up (in operation less than six months).
- Location/Impact: Will fill a vacant, street-level storefront.
- Economic Impact: Job Creation and Economic Multiplier (attracting visitors or local procurement).
- Project Strength: Match Commitment (10% preferred), Project Feasibility, and Reasonableness of Costs.

C. Legal Agreement

A formal Grant Agreement must be executed between the awarded business and the Village of Elmira Heights, detailing the terms and conditions, including:

- The business must carry adequate insurance on contents to cover the award amount (Village listed as loss payee) and liability insurance.

- The Microenterprise must hold harmless the funding agencies (HUD, NYS agencies, and the Village) and comply with all applicable laws.
- Monitoring: All LMI jobs created will be verified pursuant to an OCR-established process, with monitoring continuing until the job creation obligation is met.

VI. Resources and Disclaimer

A. Business Plan Assistance

Business plan assistance is available by contacting Incubator Works or the Small Business Development Center (SBDC) at SUNY Binghamton, as well as the North Central Small Business Development Center (SBDC).

- Incubator Works: (607)-962-6387
- SUNY Binghamton SBDC: (607) 777-4024
- North Central SBDC: (315) 498-6070

B. Tax Consequences

The Village cannot and does not render any opinion or make any representation with respect to whether the funds provided hereunder are considered taxable income. Applicants/participants should contact a tax specialist or their accountant to determine the tax consequences.

LOW-TO-MODERATE INCOME LIMITS FOR CHEMUNG COUNTY

Effective November 5, 2025

FAMILY SIZE	MAXIMUM INCOME LIMIT
1	\$46,800
2	\$53,450
3	\$60,150
4	\$66,800
5	\$72,150
6	\$77,500
7	\$82,850
8	\$88,200

The Applicant/Business Owner(s) or the employees will be considered low-to-moderate in income if the family's gross annual income does not exceed the maximum income noted for that family size.

For example, if a family has two adults and three children (total five persons) the income opposite the number "5", which is \$72,150, is the maximum income that family can earn on an annual basis. If the family's gross, annual income is less than \$72,150 they are considered a "low-to-moderate" income family. If the family's gross annual income is greater than \$72,150, they do not meet the low-to-moderate income test. Family is defined as those persons in a household that are related by marriage, birth or adoption.

A Microenterprise with two or more owners will qualify under the low-to-moderate income criteria if, and only if, 51% of the owners meet the low-to-moderate income criteria. If the owners do not meet this criterion, then the Microenterprise must qualify under the criteria to create jobs that are low-to-moderate in income.

DETERMINING LOW-TO-MODERATE INCOME JOBS

To be eligible for funding under the Village's Microenterprise Program, the project must meet the low-to-moderate income benefit test in one of two ways; either (1) the business owner(s) must be low-to-moderate in income, or (2) the jobs to be created must be filled by or available to low-to-moderate income persons. If the business owner is low-to-moderate in income, this section can be ignored.

If a business owner (or all owners) is/are not low-to-moderate in income, their project must result in the creation of jobs, 51% of which are considered low-to-moderate income jobs. In addition, the business owner must provide first consideration for the jobs to be created to those persons who are low-to-moderate in income. Jobs may be claimed to be available to low-to-moderate income persons when both the following conditions are met:

- 1) The jobs do not require special skills that can only be acquired with substantial (i.e. one year or more) training or work experience, and/or education beyond high school is not a prerequisite to fill such jobs, unless the business agrees to hire and train unqualified persons; and
- 2) Actions are taken by the business owner to ensure that low-to-moderate income persons receive “first consideration” when hiring for such jobs.

Principles involved in providing “first consideration” are as follows:

- 1) The business owner must use a hiring process that under normal circumstances would result in at least 51% of those interviewed meeting the low-to-moderate income status test;
- 2) The business owner must consider a sufficient number of low-to-moderate income job applicants to give reasonable opportunity to fill the position with a low-to-moderate income person;
- 3) The business owner must give consideration to the distance from the residence of a low-to-moderate income job applicant and the availability of transportation to the job site in order for the job applicant to be considered a serious applicant for the job.

The Village is required to monitor job creation activities to determine if the jobs to be created are filled by persons low-to-moderate in income or meet the first consideration test. To meet this obligation, the Village is required and, therefore, the business owner agrees to follow a plan approved by the NYS OCR. Information on and the forms for completion included in the plan will be provided at a later date.

OBTAINING A UEI FOR YOUR BUSINESS

The funds for which you are applying were awarded to the Village of Elmira Heights from the NYS Office of Community Renewal (OCR) as part of the federal Community Development Block Grant Program (CDBG). In keeping with federal regulations, the OCR requires that recipients of CDBG funds secure a Unique Entity Identifier (UEI). UEIs are required on your application. Lack of the UEI upon application can delay disbursement of funds, if a grant is awarded, as the Village cannot disburse funds until you obtain the identifier. If you are an existing business and already have a UEI at your current location, you do not need to obtain another one. There is no charge to obtain the UEI.

To obtain a UEI:

- (1) Got to fsd.gov (Federal Service Desk)
- (2) In the search bar under “Federal Service Desk”, type “Quick Start Guide for Getting a Unique Entity ID” and click on the search icon
- (3) On next page click on “Quick Start Guide for Getting a Unique Entity ID”
- (4) On next page click on “Quick Start Guide for Getting a Unique Entity ID” and the guide should download to your computer
- (5) Download the guide and follow the instructions under SAM.gov – you do not have to register in SAM.gov to get the UEI
- (6) After you have entered all the requested information and been assigned a UEI, you can click on DONE. You do not need to “continue to registration”.