

# Boxborough Business Improvement Grants

## NOTICE OF FUNDING AVAILABLE (NOFA)

### Spring 2024 Round



Prepared by: The Office of Land Use and Permitting

Approved by: The Economic Development Committee on March 9, 2023,

The Select Board on May 22, 2023

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# 1. Introduction

## 1.1 Boxborough Business Grant Program

The Boxborough Business Grant Program is a program funded through funding received by the Town of Boxborough pursuant to the American Rescue Plan Act (ARPA), available to qualifying businesses, as defined in section 2.2, located in the Town of Boxborough (the Town), to provide funding to advance the Town's economy. This will goal be accomplished by providing funding for the following purposes:

- (i) To support the growth of priority goods and services, through targeted investments in particular business types;
- (ii) To assist businesses impacted by COVID 19 or who will assist the Town in preparing for future pandemics;
- (iii) To further the development of an economically vibrant Town Center Village
- (iv) To advance new business growth, contributing to a unique and competitive economy in the Town;
- (v) To maximize economic impact by investing in those projects that spur greater economic and community vitality.

This Program seeks to provide direct support to businesses, to encourage economic growth and resiliency. By making targeted investment in businesses prioritized for the residents and employees in the Town, this program aims to create a sustainable and meaningful economic surge.

## 1.2 Purpose of this NOFA

The purpose of this NOFA is to seek applications for funding for business improvement, expansion, and creation projects. Projects must demonstrate they are targeted to one of the pre-determined business types, meet eligible spending criteria, and help make progress towards a vibrant economic center of the Town. This NOFA describes the award uses, eligibility requirements, application process, and disbursement process for awards.

## 1.3 Administration of the Grant

The Town's Office of Land Use and Permitting will administer the program on behalf of the Town's Economic Development Committee (EDC). The Office of Land Use and Permitting will provide technical support, review applications and projects for eligibility, and make recommendation to the Economic Development Committee. All award decisions will be made by the EDC and will be considered final, with no opportunity for appeal. The Office of Land Use and Permitting will administer reporting protocol, project close out, and loan forgiveness as outlined in this NOFA.

# 2. Awards

## 2.1 Budget

This program is funded through the Town's ARPA allocation in an aggregate amount of \$125,000. Submissions will be evaluated competitively, based on the criteria set forth in the rubric (*Attachment B*) and a recommendation will be made to the EDC. Following decisions of the EDC, awards will be made in the individual amount of no less than \$5,000 and no more than \$20,000.00, until funding has been exhausted.

Grant funds may be used to support the following uses, further defined in Section 4:

- Advertising
- Capital Improvements
- Community Projects
- COVID Recovery
- Inventory
- Planning and Engineering Documents
- Programmatic
- Software
- Training

It is the intent of the EDC to make several awards, and the EDC reserves the right to offer a partial award to any applicant it chooses.

## 2.2 Minimum Eligibility Criteria

Grant awards may be made to the following entities, in no particular order:

- Small for-profit businesses:
  1. Under the ARPA Final Rule, qualifying small for-profit businesses must have fewer than 500 employees and are a “small business” as defined in the Small Business Act, 15 U.S.C. 632, meaning that the business is independently owned and operated and is not dominant in its field of operation.
  2. Small businesses must also demonstrate to the Town how they were impacted by the pandemic, for example:
    - Decreased revenue or gross receipts,
    - Financial insecurity,
    - Increased costs,
    - Capacity to weather financial hardship, and/or
    - Challenges covering payroll, rent or mortgage, and other operating costs.
- Non-profit businesses:
  1. Under the ARPA Final Rule, qualifying non-profit businesses must be 501(c)(3) or 501(c)(19) tax-exempt organizations as certified by the Internal Revenue Service.
  2. Non-profit businesses must also demonstrate to the Town how they were impacted by the pandemic, for example:
    - Decreased revenue or gross receipts,
    - Financial insecurity,
    - Increased costs,
    - Capacity to weather financial hardship, and/or
    - Challenges covering payroll, rent or mortgage, and other operating costs.

Projects or businesses must be physically located in the Town of Boxborough. If a project is lead by an entity outside of the Town, the applicant may still apply but must provide an executed memorandum of understanding between themselves and a landlord to operate within a location in the Town of Boxborough.

Funds requested under this grant program are available through awards of up to \$20,000.00 and must be matched by the applicant in equal portion. While additional funding is not required, applicants who provide greater match may score higher than those meeting only the minimum threshold.

Applicants must provide proof of business. For businesses already in existence, tax returns for 2021 and a copy of at least one rent or utility bill are acceptable. For proposed new businesses, applicants must provide a complete business plan and a bank note certifying intent to issue a business loan for funding of such business.

All applicants must provide proof of matching funds. Acceptable forms of proof include bank statement from a business account, letter of award or loan if leveraging outside funds, or bank note certifying funds are available and reserved in a separate account.

### 2.3 Eligible Use of Award

Funding for a grant may only be used on the following categories, as defined herein:

- Advertising – Defined as those expenses associated with marketing a company's brand, product, or service via media outlets, or as the paid distribution of a controlled marketing message found in print ads, radio or TV broadcast, online, or via direct mail<sup>1</sup>.
- Community Projects – Defined as a short- or long-term project, which engages the community in an exploration or education on local art, culture, diversity, or history for a period of no less than 2 months.
- COVID Recovery – Defined as costs to support projects not undertaken due to the COVID 19 Pandemic, re-hire of previously employed personnel that were cut or lost during the COVID 19 Pandemic, or improvements to a business to mitigate impacts of ongoing or future pandemic. This category of use does not allow for capital projects.
- Inventory – Defined as the revolving stock of goods or products needed by the business to provide services or product to consumers.
- Planning and Engineering Documents – Documents and plans necessary to complete Special Permit, Site Plan Review, Board of Health, Conservation Commission, or Building Permit Applications.
- Programmatic – Defined as a short- or long-term project that supports community or economic development through education, events, job or skills training.
- Software – Defined as expenses to purchase or expand software and hardware, allowing for improved business function. **Note that Software-as-a-Service products are not eligible, except in cases where intellectual and physical property is retained by the owner even at the time of termination or expiration of a contract.**
- Training – Defined as job or other professional training of employees, conducted by or at an outside institution accredited to deliver such training, which allows for improved business operation and greater ability to serve residents and visitors to the Town.

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<sup>1</sup> Investopedia - [Advertising Costs: Definition and How It Works in Marketing \(investopedia.com\)](https://www.investopedia.com/terms/a/advertising-costs.asp)

## 2.4 Award Terms and Requirements

Following a successful award, successful applicants will be notified by award letter. Successful applicants will be required to complete all necessary award documents, within 60 days of the notice of award.

Awards will be distributed in one of two ways, at the discretion of the EDC:

OPTION 1 – in 2 payments, with 50% delivered to the applicant by check within 30 days of successful contract execution. The second payment of 50% will be made to the applicant after the substantial completion of the project, following an inspection by the Town Planner and any necessary site inspections by the Town.

OPTION 2 – in one lump sum payment, made by check to the applicant within 30 days of contract execution.

Additional requirements will apply to the execution and completion of funded projects and will be documented in a Grant Agreement. These requirements will include the following, as applicable:

- All projects must be performed in compliance with local, state, and federal laws and codes.
- Successful applicants will submit invoices monthly to demonstrate the work is being completed on time and in accordance with the agreed upon scope of work. Reporting may vary based on project type and will be reflected within the agreed upon scope of work.
- All work will be completed by December 01, 2024, with close out forms submitted no later November 15, 2024.
- The deadline to complete work of December 01, 2024, may be extended in writing between the successful applicant and the Office of Land Use and Permitting. Extension of the deadline may be granted at the Director of Land Use and Permitting's sole discretion.

Applicants may request a different schedule that better fits the development of their project if accompanied by a justification. The EDC reserves the right to include a different schedule in any Loan Agreement.

## 2.5 Award Distribution

Funding will be documented through a loan agreement. Funding may be paid out in installments upon achievement of significant milestones, as specified in the loan agreement. Disbursement is contingent upon submission to the Office of Land Use and Permitting of all the deliverables required for the associated milestone. The deliverables are subject to review and approval by the Office of Land Use and Permitting. Electronic submissions are required.

Generally, funding will be awarded upon completion of the following milestones/deliverables, as outlined in section 2.4 of this NOFA.

Applicants may request a different schedule that better fits the development of their project if accompanied by a justification. The EDC reserves the right to include a different schedule in any Loan Agreement.

## 2.6 Buy Local Policy for Construction Projects

Projects requiring construction are encouraged to source their goods and services locally. This will include

1. The use of contractors or consultants whose business is located within a 15 mile radius of the project site;
2. The purchase of materials from retailers or whole sale companies within a 15 mile radius of the project site.

This provision may be waived in writing between the EDC and the Applicant, if the Applicant can demonstrate how one or both of these provisions would cause hardship on the project.

## 3. Applications

### 3.1 Technical Assistance

Businesses considering application are encouraged to contact the Office of Land Use and Permitting in advance of submission. Applicants who work with the Office of Land Use and Permitting to refine their application will typically submit more complete materials.

It is recommended applicants contact the Office of Land Use and Permitting, by emailing [awade@boxborough-ma.gov](mailto:awade@boxborough-ma.gov). While contacting the Office of Land Use and Permitting does not guarantee a successful application, doing so is strongly encouraged.

### 3.2 Application Instructions

Applicants must provide a complete application for their project to be scored effectively. Applications will be accepted on a rolling basis beginning 8:00 AM on Monday, February 26, 2024 until **4 PM Wednesday 07/17/2024**. Applications will be reviewed for completeness in the order they are received, with preliminary recommendation made to the EDC typically within 21 days from the date of application. The Office of Land Use and Permitting may request further information when incomplete applications are submitted.

Applications must include:

1. A completed cover page (*Attachment A*);
2. A project narrative of no more than 2 pages in length, double spaced and size 12 font. The narrative is intended to address the project goals and respond to the evaluation criteria. Applicants should articulate how their project meets the goals of this program, and should use this NOFA to help draft the necessary points. Applicants must specifically fulfill the eligibility criteria outlined in Section 2.2;
3. A detailed project summary of no more than 1 page in length, which should explain how the funding will be used and the project timeline;
4. A detailed project budget, demonstrating the use of funding and the use of matching funds;
5. Proof of matching funds;
6. Proof of existing business operation or appropriate business plan and proof of financing; and
7. For non-profit businesses, your Internal Revenue Service determination letter establishing 501(c)(3) or 501(c)(19) status.

Completed applications must be submitted to the Director of Land Use and Permitting, Alexander Wade, both in one hard copy and a flash drive containing a digital copy of all materials. Based on each proposal, the Office of Land Use and Permitting may request additional documents or plans to better understand the project. Applications should be delivered to the Planning Office, Boxborough Town Hall, 29 Middle Road, Boxborough, MA 01719.

### 3.3 Application Timeline

The complete program timeline is as follows:

**8 AM Monday 02/26/2024: Application period begins**

***Applications will be accepted on a rolling basis, as funding allows but no later than...***

**4 PM Wednesday 07/17/2024: Application period closes**

Award decisions will be made on a rolling basis, with successful applicants expected to complete contract documents within 60 days of a successful award notice. If an applicant fails to complete contracting documents within the prescribed timeline, the Town may revoke its award.

### 3.4 Questions

**Questions should be submitted in writing** by email to [awade@boxborough-ma.gov](mailto:awade@boxborough-ma.gov), using the subject line “Boxborough Business Grant Question”. A Frequently Asked Questions document may be compiled and circulated periodically on the Town’s Website.

## 4. Scoring Criteria

Applications will be scored based on the criteria set forth in the Scoring Rubric (*Attachment B*). The most successful applications will address these criteria through their narratives and project summaries, and through the completeness of their application. The criteria to be addressed, detailed in the Scoring Rubric (*Attachment B*), include:

**Priority Goods, Services, or Cultural Business** – Does the grant support a business listed as a priority enterprise or is it substantially similar to one of the businesses listed in *Attachment C*? Further, does the business provide goods and services directly to consumers?

**Impact of COVID 19** – Has the COVID 19 pandemic detrimentally impacted the business or their ability to operate? Alternatively, will this business help respond to ongoing or future pandemics?

**Impact to Town Center** – Does the proposed project add to the character of the proposed Downtown Neighborhood?

**New Business Incentive** – Is the proposed use of funding meant to support a new business in the Town of Boxborough?

**Matching Funds** – Does the applicant provide adequate or greater match than required?

A preliminary score will be prepared by the Office of Land Use and Permitting and presented to the EDC for their consideration. All funding decision are at the sole discretion of the EDC, who may choose to accept, reject, or modify the preliminary score.

Following notification by the Office of Land Use and Permitting, the EDC will have 60 days to render its decision on an application. Applications which score below a threshold of 60 points may be deferred for decision until August 15, 2024.

## 5. General Conditions

### 5.1 Notice of Public Disclosure

As public entities, the Town, the EDC, and the Office of Land Use and Permitting are subject to Massachusetts' Public Records Law, codified at Chapter 66 of the Massachusetts General Laws. Thus, any documentary material, data, or other information received from an applicant is a public record subject to disclosure. Applicants shall not send any confidential or sensitive information in response to this NOFA.

### 5.2 Disclaimer and Waiver Authority

This NOFA does not commit the Town, the EDC, or the Office of Land Use and Permitting to award any funds, pay any costs incurred in preparing an application, or procure or contract for services or supplies. The Town, the EDC, and the Office of Land Use and Permitting reserve the right to accept or reject any or all applications received, waive minor irregularities in submittal requirements, modify the anticipated timeline, request modification of the application, negotiate with all qualified Applicants, cancel or modify the NOFA in part or in its entirety, or change the application guidelines, when it is in its best interests.

This NOFA has been distributed electronically on the EDC web page (<https://www.boxborough-ma.gov/404/Economic-Development-Committee>). It is the responsibility of Applicants to check the website for any addenda or modifications to the NOFA to which they intend to respond. The Town, the EDC, and the Office of Land Use and Permitting accept no liability and will provide no accommodation to Applicants who submit an application based on an out-of-date NOFA document.

## Attachment List

ATTACHMENT A – Cover Sheet

ATTACHMENT B – Scoring Rubric

ATTACHMENT C – Priority Goods, Services, or Cultural Businesses List

ATTACHMENT D – Town Center Village Map

ATTACHMENT E – Required Federal Provisions for Grant Agreements