Clement F. Shearer Micro-Grant Program

Clement F. Shearer was Dean of Budgeting and Planning at Carleton College and a longtime member of the Northfield Economic Development Authority when he died on May 14, 1998. He was a strong advocate of community service, and he acted on that belief. Clem was committed to fueling the entrepreneurial energy in the community, and he supported the creation of the micro-grant program. It was in development when he passed away. In order to honor him for his belief in the community, and his wisdom of investing in entrepreneurs, the micro-grant program was named for him.

Clement F. Shearer Micro-Grant Program

Overview

The micro-grant program provides assistance for emerging businesses (operating for 12+ months) located in Northfield. It is designed to strengthen the development of technical, management, or marketing capabilities of the business in service to the people of Northfield.

Purpose

The Micro-grant Program is intended to provide support to grow and expand a small business.

Grant Criteria

To qualify for this program, the business MUST be located in the City of Northfield, as defined by corporate city limits. In addition, the business must have:

- Been operational for at least 12 months
- Have a completed business plan
- Businesses must demonstrate need for grant funding
- Written estimates for products and services outlined in the application
- Business must submit the following required documents:
    - Completed Application
    - Current Business Plan
    - Financial Projections for 12+ months
    - Profit and Loss Balance sheet for previous 12 months

Grant Amounts

Business may apply more than once. However, the maximum amount of grant funding to be received in total by a single business is $5,000. Businesses that retain similar ownership and similar business model but have changed names will not be considered a separate business, and therefore are ineligible for funding beyond the $5,000 limit.

Equity/Guarantee Requirements

- Businesses must demonstrate at least a 50% cash match of the total project costs.
- A signed personal guarantee will be required to ensure that funds are spent as outlined in the application.

Our goal is to support innovative ideas or compelling business models that hold the prospect of making significant contributions to Northfield's economic base either through additions to our tax base or development of employment opportunities.

Grant Priorities

Businesses that meet at least two of the following priorities will be given preference for grant requests above $2,500:

- Businesses adding at least one (1) part-time employee resulting from grant
- Businesses operating in a current lease/owned space in Northfield
- Businesses owned by minorities, women and veterans.
- Businesses that offer internship opportunities to students attending Northfield-based schools and colleges
- Businesses that are either collaborating with other Northfield businesses and/or purchasing services and supplies from Northfield businesses.

Ineligible Business

- Nonprofits
- Gambling organizations
- Lending or Investment
- Land and property held primarily for sale or investment
- Business operating for ten or more years

Ineligible Projects

- Management Fees
- Financing Costs and Feed
- Franchise Fees
- Debt Consolidation
- Moving Costs

Procedure

Business that are interested in applying for the micro-grant program should review current business plan with a business coaching agency such as the Northfield Enterprise Center, SBA or Small Business Development Centers prior to consulting grant application from Economic Development Staff. Completed applications will be decided within 60 days of receipt by the EDA.

Review Process and Evaluation

Representatives of EDA Loan Committee will review all submissions within 60 days. The following criteria are used to evaluate applications:

- **Significance**—Committee will review if the project goals are defined and does the project complement current EDA Strategic Initiatives for the benefit of Northfield's economic development and prosperity.
- **Action plan**— Committee will review if the project plan adequately describes the overall business project, the anticipated outcomes, and the need for grant funding.
- **Likelihood of success**— Committee will review how feasible the project is in terms of time and budget.

Grant Agreement

Once a business has been approved for a grant, the business will execute a grant agreement with the Northfield EDA. Payment will then be made directly to the business. If funds are

not going to be spent according to the approved application, and comply with the stated timeline, the beneficiary must notify EDA staff for re-approval of the project. If the grant is not spent according to the approved application, a personal guarantee and claw back policy will be in effect. The business owner will be personally responsible for repayment of the grant.

Reporting

Within 12 months of receiving a grant (or as soon as funds are expended), the business will report to the EDA on how it used the funds. Projects must be completed within a year of receiving micro-grant funding. This report will include:

1. Photos of the project (these could be used in EDA marketing materials)
2. A written report of how the business used the funds, the impact of the funds on the business, and a testimonial statement that the EDA may use in marketing materials.

To Apply

Submit

REQUIRED DOCUMENTS
Completed Application
Current Business Plan
Financial Projections for 12+ months
Profit and Loss and Balance Sheet for previous 12 months
Written estimates for products and services included in the grant application

Contact

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