



Maine Jobs & Recovery Coworking Grant

Program Guidelines

January 2024

Prepared by the Maine Department of Economic & Community Development

PROGRAM OVERVIEW:

In response to the COVID-19 pandemic, many employers and employees were forced to embrace the remote working environment to ensure that daily operations could continue. Nearly 51% of workers across the country experienced at least some remote work during the pandemic. This Maine Jobs & Recovery Coworking Grant Program enables communities to aid citizens who find themselves in fully remote or hybrid work situations after the disruptions caused by the pandemic. Coworking facilities provide the logistical support necessary for remote workers to thrive away from the office. Coworking spaces are important for the small and mid-sized businesses that make up 75% of shared service center market. In Maine, small and mid-sized businesses make up the bulk of the employers; investing in coworking resources benefits the State by ensuring that the State's remote workforce has the services and structure it needs to compete in roles that are no longer tied to physical office space. The presence of modern coworking resources and services also makes Maine more attractive to industries with large remote workforces by demonstrating that the state has the resources, capabilities, and desire to support such work.

The Maine Jobs & Recovery Coworking Grant Program aims to provide direct financial support to coworking spaces in the State of Maine that experienced impacts during the pandemic. It also builds on other Maine Jobs & Recovery Plan programs including remote worker supports and previous financial support to Maine's libraries that also serve as much-needed remote work locations in many Maine communities.

Specifically, this grant opportunity offers competitive grant funds to small businesses and organizations that operate coworking spaces around the state. These funds will help to stabilize operations, reconstruct layouts that were previously altered to meet social distancing requirements; cover increased costs and other impacts due to the COVID-19 pandemic; provide outreach, digital infrastructure, and community to new remote workers, and invest in new infrastructure.

The Coworking Grant Program is described in this document. Applicants can apply for these grants through an on-line application portal that will be published by Maine DECD in December 2023. An FAQ document will also be provided, as well as a webinar, and customer service during the open application period in the form of a dedicated voicemail line and email address.

PROGRAM GOALS: This program provides one-time funding to support coworking development – specifically, financial assistance to coworking businesses and non-profit coworking organizations that demonstrate a need for financial relief based on expenses related to the disruption of operations caused by the COVID-19 pandemic. This program also provides direct financial support for the expansion of Maine’s coworking spaces, including spaces intended to help support remote workers.

PROGRAM ELIGIBILITY:

This competitive grant program is available to:

- Coworking businesses and organizations physically located in the State of Maine that operated during the pandemic.
- Entities in Maine that are in the process of establishing a new coworking space in a community that currently lacks an established coworking space. This includes those that have started operations recently (in 2021 or after) but need financial assistance to grow or add critical infrastructure.
- Coworking organizations **except:**
 - Professional Services with NAICS Codes starting in 5411 or 5412
 - 501(c)(4), 501(c)(6)
 - K-12 schools, including charter, public and private, institutions of higher education
 - Municipalities, municipal subdivisions, and other government agencies
 - Foundations and charitable trusts
 - Trade associations
 - Credit unions
 - Insurance trusts
 - Scholarship funds and programs
 - Gambling
 - Adult Entertainment
 - Country clubs, golf clubs, other private clubs
 - Cemetery trusts and associations
 - Fraternal orders
 - Hospitals and nursing facilities
 - Those involved in the sale of medical or recreational cannabis or cannabis products
- Organizations must have significant operations in Maine (business/organization headquartered in Maine or have a minimum of 50% of employees and contract employees based in Maine)
- Be current and in good standing with all Maine State payroll taxes, sales taxes, and state income taxes (as applicable) through June 30, 2023.
- Be in good standing with state agencies which include Maine Department of Labor, Maine Secretary of State
- Not be in bankruptcy

- Not have permanently ceased all operations and intend to continue as a going concern.
- Be in consistent compliance and not be under any current or past enforcement action with COVID-19 requirements as set forth by the State of Maine.
- Must not be otherwise barred from receiving federal funds.
- Must have a Federal UEI number. The UEI is a 12-character unique number assigned to all entities (public and private companies, individuals, institutions, or organizations) who must register to do business with the federal government. If you do not have a UEI number, register for one *here*.
- Organizations with multiple affiliated locations across the State should submit a single application.

For purposes of the Maine Jobs & Recovery Coworking Grant Program, your business/organization is considered affiliated with any other business/organization that:

- Has the same Federal Taxpayer Identification Number (including Social Security Number)
- Has the same corporate parent or grandparent
- Is majority owned (more than 50%) by the same owner or group of owners

Entities that previously received financial support from Maine Jobs & Recovery Plan programs are not ineligible but are less likely to receive an award.

Businesses/organizations will be liable for any misuse of funds. The grants are taxable income and subject to audit. Funds must be spent on operations that are strictly within Maine.

- Examples of unallowable expenses include (list is not all-inclusive):
 - Depreciation expense
 - Entertainment
 - Lobbying
 - Goods and Services for Personal Use
 - Fines, Penalties, Damages and other Settlements.

GRANT CATEGORIES AND AWARDS:

- **Group 1: Grants for Existing Coworking Spaces** (\$200,000 total available). Existing coworking businesses that operated throughout the pandemic can apply for funds to help with recovery of pandemic impacts/injury. The intent of this is to support existing companies who had, or will have to make significant changes to their operation due to the pandemic. We anticipate a \$25,000 award cap with a \$1,000 award minimum. The award cap is subject to change based on need and volume of applications.
- **Group 2: Grants for New Space or Expansion of Existing Spaces** (\$300,000 total available). New coworking spaces or existing coworking spaces that are expanding and have specific projects that significantly expand operations can apply for funds in an amount not to exceed \$100,000. We anticipate a \$100,000 award cap with a \$50,000 award minimum. Projects intended to help support remote workers will be particularly competitive during this grant round.

The award caps are subject to change based on need and volume of applications. If the qualified application amount exceeds the available funding, we may pro rate the awards.

No matching funds are required. The Maine Department of Economic & Community Development has the discretion to award all of the funds or to award fewer awards than planned, based on the quality and completeness of the applications and the demonstration of financial need.

APPLICATION CRITERIA:

Each group requires the following required documentation to demonstrate financial need and/or demonstrate the planned use for the grant funds:

Group 1 Applicants will be required to demonstrate the following as part of their application:

Must show proof of being in business during the pandemic (at least during calendar year 2022 but preference will be given to spaces that were in operation at least since 2020. All organizations must be in operation as of this application - 2023. If there is a disruption in the operation of the space, this must be fully explained and documented.

Must show expenses or impacts as a result of the COVID-19 pandemic through one or more of the following, depending on the request:

- Receipts/invoices of work completed to alter the coworking space to adapt to social distancing and other pandemic-related adjustments **as well as proof of purchase.**
- Documentation of loss of revenues as demonstrated by financial statements (P&L, Income Statement, Balance Sheet, Cash Flow, etc). **All applicants must show a financial statement** (pre pandemic and after the start of the pandemic) regardless of which impact justification they elect.
- Documentation of costs incurred as a result of reopening after COVID-19 related closure (such as PPE and installation of physical safety measures)
- Documentation of increased costs of operating a coworking space as a result of COVID-19
- Documentation of costs associated with HVAC improvements, creation or addition of indoor or outdoor space for social distancing purposes, and increased costs due to supply chain disruptions or increased demand)
- Document an impact (with narrative) from the pandemic. This could be an increase in demand.

Please Note:

If the fund payout exceeds the costs that you have displayed but there are new projects that would meet the qualifications, you are allowed to present quotes, and then proof of purchase to unlock the remaining payout. Examples could include: increasing office space to meet new demand, the need for a “phone booth” due to a higher demand for video calls, etc. Funds will be available for redemption until June 28, 2024.

Additionally, the award amounts may deviate from the amount requested based on the quality and thoroughness of the documentation provided.

Group 2 Applicants will be required to demonstrate the following as part of their application:



- Thorough description of work to be performed to create or expand an existing coworking space with evidence of need for this creation/expansion based on quantifiable measures.
- Cost estimates of work to be performed for expansion project and/or infrastructure improvements.
- Description of plans to accommodate remote workers in the coworking space, including providing remote workers with necessary infrastructure, connectivity, and support.

Description of other efforts to obtain funds to the project and how successful those efforts have been.

- **For both award groups, expenses to be addressed by these funds must have been incurred between 03 March 2021 and 31 December 2024. Funds must be fully expended by 31 December 2026.**

APPLICATION TIMING AND DEADLINE:

Maine DECD will host a webinar in January 2024 with information about this grant program.

Applications will be accepted until 11:59 PM February 16, 2024. Visit the online application portal to complete the form electronically. You will receive email confirmation that your application has been received. If you are unable to use the on-line portal, please contact us for assistance using the contact information provided below.

For additional information, please refer to the Maine Jobs & Recovery Plan Coworking Grant Program FAQ document.

If you have any questions that are not addressed in the application instructions or the FAQs, please call: 1-800-872-3838 (and press 3) or email: BizAwards.DECD@maine.gov.