



Department of Economic
& Community Development

Office of Business Development

Coworking Development Fund & Program

FREQUENTLY ASKED QUESTIONS

Q. Can you define “building improvements” eligible for program funds?

A. *Physical improvements that are an integral part of the building are eligible, as are equipment and building retrofits, provided the overall award leverages at least as much additional investment in the improvements.*

Q. Are not-for-profit organizations eligible to apply?

A. *Applicant eligibility is determined by Statute which states that “collaborative workspace business” is a corporation, partnership, limited liability corporation, professional corporation or other legal business entity recognized under the laws of the State engaging or proposed to engage in economic activity within the State.” Under this definition, any organization that is a legal entity engaging in economic activity is eligible, including a not-for-profit.*

Q. Can we leverage funds that have already been spent?

A. *Cash investments within six months prior to the October 25, 2019 application date may be considered corresponding private investment. The current value of the property is not considered a matching cash investment.*

Q. Is there a specific budget template or format required?

A. *No, you may use whatever budget or financial format that works for explaining the project budget*

Q. Is more weight given to new vs. existing spaces?

A. *No. DECD aims to build the capacity for coworking spaces to strengthen Maine’s economy. To do this, we recognize the need to support existing spaces and to encourage new spaces where they do not yet flourish. The evaluation criteria does not give weight to one over the other.*

Q. "Are you looking for communities with specific distress data?"

A. *Per the guidelines – we will award an additional 2 points to the applicant's score for businesses located in those areas as defined below: "DECD's Office of Business Development is committed to building the entrepreneurial ecosystems of underserved and underrepresented communities, so will award up to an additional 2 points to community workspace businesses located within economically distressed areas as defined by Maine Economic Distress Report reporting on 24-month Average Unemployment Rate and Per Capital Personal Income (up-to-date information can be accessed at <http://www.statsamerica.org/distress/distress.aspx>)."* This is the place in the process where we are emphasizing the desire to serve under-served, economically distressed regions.

Q. If the applicant is self-branding as a co-op but is also a startup collaborative workspace, would they be considered eligible?

A. *There are duties of a space defined in statute that are represented in Application Appendix A – if they can meet those duties and the definition of collaborative workspace outlined in the application, they would be eligible.*

<https://www.maine.gov/decd/sites/maine.gov/decd/files/inline-files/Coworking%20Grant%20Announcement%20and%20Guidelines%20copy.pdf> (see page 8 for application appendix A)

Q. Can "in-kind" match include essentially "sweat equity" as in the time an owner is putting into a program or the vacated rent an event could have been charged?

A. *Yes and no. If you are requesting physical improvements, the match needs to demonstrate cash investment in the improvement (as outlined in statute). If you are proposing a different use of the funds, then in-kind could be in the form of foregone revenues or unpaid time spent on the project. That said, what is allowable and what is competitive are two different things - a budget that reflects investment on the part of the applicant that gives reviewers confidence that the project will succeed will score higher.*

Q. Should an application focus on one single component or can multiple elements contributing to the development of a collaborative work space be included in the application? Are there any limits to the way in which components can be combined, especially as related to matching funds?

A. *An application can focus on a single or multiple elements of collaborative work space development? There are no specific limits to how these can be combined as long as they make a cohesive whole.*

Q. May we apply for funds that support activities that are likely to have been completed and possibly paid for prior to the grants being distributed?

A. *Yes, as with match, you may begin to expend project funds, at your own risk, prior to grant funds being distributed.*