The City of Hickory

CDBG Microenterprise Grant Program

In its 2025-2029 Consolidated Plan for Housing and Community Development, the City of Hickory identified increasing entrepreneurship opportunities as a high priority need. This led to the creation of a program to provide microenterprise grants to businesses looking for funding necessary to take their business to the next level.

What is a microenterprise?

According to the US Department of Housing and Urban Development, a microenterprise is a business that has five or fewer employees, one of whom is the owner of the business.

Since the project will be funded with CDBG funds, all applicants will need to have a household income of less than 80% of the area median income. That is currently $68,150 for a family of four. The table below indicates the current HUD income limits. (All limits are subject to change as HUD updates their information.)

Persons in Family	Maximum Income
1	$47,750
2	$54,550
3	$61,350
4	$68,150
5	$73,650
6	$79,100
7	$84,550
8	$90,000

Award Ceiling

The award range will be from $1,000 to $4,000. The maximum funding will be based on needs presented in the business plan.

Use of Funds

Grant funds may be used for the following purposes:

- Business Equipment
- Inventory
- Necessary Fixed Assets
- Marketing and business promotion
- Other necessary business improvements as approved by the Business Development Committee

Grant funds may not be used for real property improvements. Funds may not be used for expenses that were incurred prior to final approval of the funding agreement by the Hickory City Council.

Additional Requirements

The following additional requirements apply to all recipients.

- The business must be located in the Hickory City Limits.
- The business must be in compliance with all applicable City of Hickory regulations including the Land Development Code.

Funding Eligibility Exclusions

The following uses are not eligible for funding:

- Religious organizations for sectarian purposes;
- Buildings not within the City of Hickory municipal limits;
- Individual K-12 schools (public or private);
- Organizations that discriminate on the basis of race, culture, gender sexual orientation, age, or religion;
- Political activities;
- Adult businesses;
- Civic Organizations.

Application Requirements

- Completed application form
- Business Plan (template included)
- Financial Projections
- Counseling appointment with one of the following three agencies: the CVCC Small Business Center, LRU Center for Social and Commercial Entrepreneurship, or the Small Business Technology Development Center.
- Letter of Recommendation from one of the above counseling agencies
- Income verification information to include prior year tax returns for all household members. Additional information may be required to meet HUD income verification requirements. The City of Hickory uses the Internal Revenue Service Form 1040 method of calculating income.

Scoring Criteria

The following criteria will be used by the Business Development Committee to prioritize grant projects:

- Number of jobs created
- Length of time business has been in existence (priority will be given to startups)
- Growth potential
- General quality of the business plan
- Other funding secured
- Social return on investment

Grant Payment Schedule and Other Required Activities

- After consulting with the counseling organization, the Business Development Committee will approve a project schedule detailing implementation milestones and objectives. This schedule will be part of the funding agreement. Funding will generally be paid in at least two equal installments based upon meeting required milestones.
- Recipients will be required to check in with the Business Development Committee at least once during project execution to provide updates on the business.
- Recipients will also be required to have periodic meetings with the counseling organization. The frequency of these meetings will be described in the funding agreement. Generally, one additional meeting during project execution will be required.

Conflicts of Interest

No member of the City Council of the City of Hickory and no other official, employee, or agent of the City, nor their families shall be eligible to receive any assistance under this program This prohibition will continue for a period of one year from the date their affiliation ceases. Immediate family members include: parents, spouses and domestic partners, siblings, and children regardless of age.

General Disclaimer

There is no right or entitlement to funding. All decisions are made at the discretion of the granting authority. All projects must meet all applicable regulations of the Community Development Block Grant program, including environmental review requirements. All grant agreements are subject to approval by the Hickory City Council.