



## Grow GNG Challenge Request for Business Proposal

The Gray – New Gloucester Development Corporation (GNGDC) is offering an incentive package including numerous in-kind business support tools and up to a \$10,000 forgivable cash loan, for one selected business that will commence operation in Gray or New Gloucester by May 19, 2020.

The GNGDC has assembled a consortium of community leaders, business owners, and municipal officials to provide assistance with judging, rental space, and other in-kind business start-up essentials.

### OVERVIEW:

The Grow GNG Challenge is an entrepreneurial start up competition for Gray and New Gloucester. Business concepts eligible for the competition are:

1. A new for profit businesses generating not less than two full-time equivalent positions.
2. An existing for profit business – not already located in Gray or New Gloucester – interested in relocating or opening a new location in Gray or New Gloucester generating a minimum of two full-time equivalent positions by the end of the third year.
3. Adding a new business concept to an existing Gray or New Gloucester for profit business that generates a minimum of two full-time equivalent positions by the end of the third year.

### The Challenge will include three phases:

**Phase 1** – Submission of a 1 to 2-page Business Concept proposal due by June 17, 2019. The committee will choose up to 10 concepts to advance to Phase 2. The committee reserves the right to contact references and conduct a credit check during this competition.

**Phase 2** – All contestants who are selected to move on to Phase 2 are required to contact SCORE business mentoring service <https://portlandme.score.org/> and work with a counselor on development of a business plan and to address the issues that face business start-ups. SCORE also provides numerous resources for business planning and growth which are described on its web site which are available to all entrepreneurs. Semi-finalists will be announced July 1, 2019.

The Phase 2 submission packet, including a fully developed business plan, is due to the GNGDC by close of business August 15, 2019. The Grow GNG Committee of the GNGDC will review the submissions and select up to 3 businesses to advance to Phase 3 of the competition.

**Phase 3** – In this final phase each of the finalists will make a presentation, in person, in early October, 2019. The finalist will have up to 15 minutes to present their business plans and ideas to the committee and 15 minutes for questions and answers.

The committee will fully examine the plans and presentations and determine the Grand-Prize winner in mid-October, 2019.



## **CONTEST GOALS:**

- To continue innovative recruitment of businesses that will enhance the business mix in Gray and New Gloucester.
- To encourage businesses, interested in opening an additional or expanded location or relocating, to consider Gray and New Gloucester.
- To provide entrepreneurial businesses a head-start during the most difficult period of business operation (the first year).
- To strengthen the economy and the business environment of Gray and New Gloucester, enhancing the business mix and complementing the efforts of current businesses.
- To transform empty business spaces into more attractive and beneficial locations.
- To build a “buzz” and promote GNG as a great place to start a business.

## **SUBMISSIONS:**

### **Submission requirements Phase 1 and 2:**

Include one (1) electronic copy to [GrowGNG@gngdc.com](mailto:GrowGNG@gngdc.com). Please place “Grow GNG Submission” in the subject line.

All Phase 1 and 2 electronic submissions must be received no later than 5:00 pm on the dates shown in the timeline and delivered via email in a pdf document to [GrowGNG@gngdc.com](mailto:GrowGNG@gngdc.com).

The GNGDC reserves the right to reject all submissions and re-solicit this competition.

## **DEFINITIONS:**

- Town – the Town of Gray or the Town of New Gloucester
- Contest or Challenge – the GNGDC business incentive initiative described herein

## **WHY OPEN A BUSINESS IN GNG?**

- Strategically located between Lewiston and Portland, with direct access to the Maine Turnpike at Exit 63.
- Readily available space in a variety of historic buildings and other spaces. Lease rates and taxes currently lower than larger cities.
- High daily traffic count as Gray is at the convergence of 5 state highways – at “the heart of it all”.
- A strong community presence with annual events including the Patriot Crossroads Soccer Challenge, Crystal Lake Ice Fishing Derby, Patriot 5K, New Gloucester Fair Days, Gray Blueberry Festival and several other events.
- Tourist oriented points of interest include the Maine Wildlife Park, Sabbathday Shaker Village, various lakes (Crystal, Little Sebago, Sabbathday and Forest), Spring Meadows Golf Course and Country Club, Pineland Farms Campus, and hiking/cross country trails on Libby Hill.



## **PRIZES:**

The Grand Prize winner will receive a package including in-kind business support tools and up to \$10,000 in a forgivable loan.

### **Forgivable Loan**

This loan will be processed through normal loan procedures specified by the GNGDC. Repayment of loan principal will be delayed for three (3) years, with interest only payments required during that time. A formal promissory note will be created with conditions including the generation of a minimum of two full-time equivalent positions by the end of the third year, compliance with all codes and permits, attendance at educational or coaching sessions per year for three years, or other reasonable and appropriate steps that will be determined commensurate with the type of business selected. If all conditions are met at the end of thirty-six (36) months, the loan principal will be forgiven.

- ***Refer to Terms and Conditions on the promissory note which will be the binding legal instrument between GNGDC and selected business owner.***
- ***The loan requires proof of at least a 1-to-1 match from the contestant. The loan check will not be dispersed to the winner until the promissory note has been processed and proof of a matching investment if presented to the GNGDC.***

## **JUDGING AND SCORING CRITERIA:**

Judges will be comprised of representatives from the GNGDC, the Gray Town Planner, the New Gloucester Town Planner, one banking professional, and one business owner each from Gray and New Gloucester. Judges will be responsible for selecting those who will advance into the next stages.

### **Pitches and Plans will be reviewed based on the following criteria, in priority order:**

- Clarity of plan. (Business plans and projections should evolve and become more detailed with each phase of the judging.)
- Special entrepreneurial spirit or likelihood to build a “buzz” in Gray or New Gloucester. This may include special customer service or marketing expertise.
- Level of successful business experience/qualifications to run a successful business.
- Available human and financial resources to run a business successfully.
- Complementary with businesses, and likelihood to enhance the business climate in the designated target locations, including foot traffic where applicable.



## **SUBMISSION REQUIREMENTS FOR EACH PHASE:**

### **Phase 1- Business Concept (“Pitch”)**

In addition to completing the GNGDC Grow GNG Competition Submission Form, please submit a maximum two-page description of your business concept by June 17, 2019. Use creativity in the description. Please include the following information (in brief) in your pitch:

- Identify the products or services to be delivered or sold.
- Define and describe the market for this business.
- Indicate how the business will enhance the GNG region as a whole.
- Specify resources and assets available and needed resources to develop this concept (personnel, financing, equipment, etc.).
- State qualifications to develop/expand this business.
- Describe similar existing businesses in the area, and if so, list differences.
- Clarify the unique angle, business name or other information that may really “sell” the committee on your concept.

### **Phase 2- Business Plans**

Contestants who are selected to move on to Phase 2 are to submit a thorough business plan by close of business on August 15, 2019. The judges will select and notify up to 3 finalists by September 15, 2019.

The GNGDC will provide certain template(s) that must be completed and included in the submission, however the applicant may provide additional material as it sees fit. The GNGDC may, at its discretion require additional information that may include, but is not limited to tax returns, P&Ls, and other business documentation.

**The Phase 2 submission must have all portions of the provided template(s) completed in full.**

Be prepared to address the following:

- Company Summary
- Products/Services Summary
- Market Analysis Summary
- Challenges, Opportunities, and Strategies to maximize success
- Resume, management history and two references
- Financial Plan (projected income, expenses, net profit, pricing, etc.). Provide an explanation of your assumptions.
- List full time and part time jobs created.
- Startup Summary (initial uses and sources)
- A community impact summary statement:
  - How your business will enhance Gray and or New Gloucester?
  - How your business can benefit existing businesses?
  - Why your business stands out?



### **Phase 3-Final Pitch**

Contestants, selected to advance to Phase 3, will participate in a 30-minute private interview with the judging committee in early October, 2019.

At each interview participants will have up to 15 minutes to present their idea, including the business plan. The presentation can be verbal or include media such as video, PowerPoint, etc. Applicants are responsible to bring any AV equipment necessary for media presentations.

Each presentation will be followed by up to 15-minute Q&A with the judging committee.

Participants will be scheduled in half-hour time slots between 7 PM and 9:00 PM on the evening of the interview.

Phase 3 judging. The location for the judging is to be determined. The winner will be selected and notified in mid-October 2019.

### **ELIGIBILITY:**

- The Contest is open to all legal U.S. residents, 18 years of age or older at the time of entry.
- Proposed businesses can be independent operations or franchised.
- Proposed businesses can be a one-person concept or a team concept.
- Willingness and ability to commit to a three (3) year lease with participating property owners, the terms of which are to be mutually agreed within 30 days of selection.
- An existing business can apply as an expansion, provided it introduces a new element in the current business and increases employment.

### **Official Rules and Regulations**

- Prizes are non-transferable and may not be redeemed for cash; substitutions by prize winners may not be requested.
- The selection committee formed by the GNGDC will judge the business concepts and business plans.
- Participants in this contest agree to these Official Rules and to all decisions of Sponsors and the Selection Committee, which are final and binding in all respects.
- The GNGDC reserves the right to use participant's names, likeness, picture, portrait, voice, biographical information and written submissions and written or oral statements, for advertising and promotional purposes without additional compensation unless required by law.
- By entering the contest, each listed applicant gives permission for the GNGDC to conduct credit and background check as part of phase 3 of the competition.
- The contest rules are not specifically bound by the category in which described (e.g., "Phase 1"). These category separations are to simplify reading of the rules.



- The GNGDC seeks to provide start up support to any viable businesses entering the competition whether or not it wins the Grow GNG competition. All entrants with feasible business plans will be contacted with information about available retail spaces in GNG.
- The winning business will be required to hold sufficient commercial liability insurance with the GNGDC as a “named insured”.
- To establish a minimum of the equivalent of two full-time positions by the end of the third year.
- The GNGDC may, at its discretion require additional information that may include, but is not limited to tax returns, P&Ls, and other business documentation.

### Phase 1

- All business concept entries must be received at physical or email address indicated by no later than close of business on June 15, 2019. Applications received past the deadline will not be considered for this competition.

### Phase 2

- All selected contestants are required to contact SCORE and work with a counselor on business plan writing and the issues that face business start-ups.
- Contestants are required to document the time, date, and material covered with the SCORE counselor, as well as the name and contact information for the counselor.
- All business plan entries (Phase 2) must be received electronically (in industry standard format i.e. DOC or PDF) emailed to [GrowGNG@gngdc.com](mailto:GrowGNG@gngdc.com) no later than 5:00 pm on August 15, 2019. Business plans received past the deadline will not be considered for this competition.

### Phase 3 and Grand Prize Winners

- Phase 3 participants must be present to give their presentations at the Phase 3 presentation review meeting the evening of early October, 2019 to be considered for the Grand Prize.
- The GNGDC reserves the right to extend the date for selecting and notifying the winner. The required business opening date will be extended accordingly should such an extension occur.
- The Grand Prize winner shall assume responsibility for the payment of all other expenses that are not part of the incentive package (including, but not limited to insurance, rental tax, permits, and additional legal fees).
- If the Grow GNG Challenge winner chooses to lease with a non-participating property owner, its budget must be reviewed by the selection committee, as this could change budget projections. This could additionally affect the contestant’s status as a winner.
- The Grand Prize Winner is required to maintain at least monthly contact with the GNGDC prior to opening, in order to keep it apprised of progress. Contact may be in the form of email, telephone, or in-person communication.
- In accordance with IRS Code regarding prizes and awards, a Form 1099-MISC may be issued by GNGDC to the Grand Prize Winner. Please consult your tax advisor for additional information.
- **Contingency rules for the forgivable loan may be given, which are separate from the contest rules.** Each Winner will be responsible for meeting and complying with all codes and ordinances of the Town as required, including the issuance of any necessary permits. A formal Promissory Note and other loan



documents as required will be issued by Androscoggin Bank as the GNGDC's agent. The Note will establish all terms and conditions of the "Forgivable Loan" under the competition for payment deferment and principal forgiveness. Funds will be disbursed upon execution of the Loan Documents and verification of matching funds on an individual basis.

- The winner of the Grand Prize must begin operation no later than May 19, 2020, unless an extension is requested and granted by The GNGDC. If not operational by that date, the Grand Prize and other winnings will be forfeited and may be awarded to another entrant.
- By accepting the Grand Prize, the Winner releases and discharges the GNGDC, its affiliated companies, participating sponsors, information providers, content providers, subsidiaries, advertisers, advertising agencies, promotional and marketing agencies, and any other companies involved with or otherwise providing services related to this promotion, and all its respective employees, officers, directors, representatives and agents from any liability or damage due in whole or in part to the award, acceptance, possession, use or misuse of the Grand Prize or from participation in this challenge.
- Information regarding the Grand Prize winner will be posted on [www.gngdc.com](http://www.gngdc.com) and will be released to the public.
- If a Grand Prize winner is not reachable within fifteen (15) business days after the Phase 3 judging, an alternate Grand Prize winner will be selected.

#### **TIMELINE:**

- May 11, 2019: Press Release and Announcement of the Contest
- June 17, 2019: Phase 1- Business Concepts due
- July 1, 2019: Announcement of those advancing to Phase 2- Business Plans
- Consultation with SCORE counselor prior to August 15, 2019
- August 15, 2019: Phase 2- Business Plans due
- September 15, 2019: Announcement of those advancing to Phase 3- Final Proposal
- Early October, 2019 Phase 3- Final Pitch
- Mid-October, 2019: Announcement of the Winner
- May 19, 2020: Business Grand Opening



**GNGDC Grow GNG Competition – Submission Form**

Please complete this form and attach along with your 2-page maximum business “pitch” as described on page 4 in this packet. Your digital copy may not exceed 20 megabytes. File submissions larger than 20 megabytes will be disqualified.

Date: \_\_\_\_\_

1. Business Concept/Name of Business: \_\_\_\_\_

2. Is this:

- an expansion of a current business     a new business idea     a relocation from another municipality

By completing the information and signing below, I attest that I have read the competition rules, timeline, and eligibility requirements, and that all information provided in this application and the attached 1-2-page business pitch is true and accurate. **If a team, each applicant must sign and date.**

Name(s) (include all members if a team):

Name	Address
Phone	Email
DL#	SS#
Signature / Date	
Name	Address
Phone	Email
DL#	SS#
Signature / Date	
Name	Address
Phone	Email
DL#	SS#
Signature / Date	
Name	Address
Phone	Email
DL#	SS#
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Name	Address
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