MATCH ON MAIN

Program Guide FY20
Program Description

“Match on Main” is a grant program, provided by the Michigan Economic Development Corporation, for small businesses located in Select or Master level Michigan Main Street communities in partnership with the local Main Street program.

The MEDC is committed to enabling long-term economic opportunities for all Michiganders. In 2019, the MEDC engaged in the creation of a five-year strategic plan. As part of this process, strategic focus areas for the organization were identified, including the continued effort towards developing attractive places. Small businesses are the cornerstone of what makes Michigan’s downtowns unique and authentic. This program provides an innovative financial tool to support the creation, retention, and growth of businesses on main street.

Many small businesses have difficulty gaining access to capital. Match on Main will provide a unique opportunity for new and expanding businesses located in Main Street districts. This grant program will provide funding to Select or Master level Michigan Main Street programs to support small business owners as they explore ways to improve the interior space, expand exterior space, increase revenue, or look at new product lines based on the current market conditions.

The MEDC finds value in supporting place-based businesses located in Michigan Main Street districts, given the local capacity that has been built to support new and existing small businesses through the technical assistance, training and education provided by the Michigan Main Street program.

There is a benefit to the community to activate vacant or underutilized space, attract new customers, and overall support a vibrant downtown district. The local Main Street Program serves as the applicant for this program bringing knowledge of new and expanding businesses, an understanding of market realities, the needs of the downtown, the ideal business mix, and available properties. It serves as a conduit to connect the small business owner with resources available through the Michigan Small Business Development Center and the potential opportunities for funding through Match on Main.

Program Goals

The goals of Match on Main are:

1) to support the creation, retention, and growth of businesses on main street, located in Michigan Main Street districts across the state,

2) to provide expertise through consulting with the Michigan Small Business Development Center thus making the business more sustainable for the long term,

3) to reactivate underutilized and vacant commercial space in MMS districts, and

4) to grow the Community’s entrepreneurial ecosystem through supporting place-based businesses that fit within the Main Street Program’s strategy and priorities.
FY20 Funding Rounds & Deadlines

ROUND ONE

December 2, 2019    FY20 (ROUND ONE) Program documents released
December 11, 2019    Informational Webinar for Applicants
December 22, 2019    Business must be engaged with SBDC no later than December 22, 2019 to allow for enough time for business plan to be reviewed and refined
January 13 – 26, 2020    Application submission window open
                        Deadline 11:59pm on January 26, 2020
January 27 – 31, 2020    Applications reviewed for eligibility
February 3 – 7, 2020    If deemed applicable by the MEDC at its sole discretion, technical errors within the submitted application may be addressed and corrected by the Applicant and resubmitted no later than 11:59pm on February 7, 2020
February 10 – 20, 2020    Application Scored by MEDC Review Team and Grantees Selected
February 21, 2020    Applicants notified of grant status
February 24 – March 13, 2020    Grant Agreements created and executed

ROUND TWO

March 30, 2020    FY20 (ROUND TWO) Program documents released
April 8, 2020    Informational Webinar for Applicants
April 12, 2020    Business must be engaged with SBDC no later than April 12, 2020 to allow for enough time for business plan to be reviewed and refined
May 4 – 17, 2020    Application submission window open
                        Deadline 11:59pm on May 17, 2020
<table>
<thead>
<tr>
<th>Date Range</th>
<th>Event Description</th>
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<tbody>
<tr>
<td>May 18 - 22, 2020</td>
<td>Applications reviewed for eligibility</td>
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<tr>
<td>May 25 - 29, 2020</td>
<td>If deemed applicable by the MEDC at its sole discretion, technical errors within the submitted application may be addressed and corrected by the Applicant and resubmitted no later than 11:59pm on May 29, 2020</td>
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<tr>
<td>June 1 – 11, 2020</td>
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<tr>
<td>June 12, 2020</td>
<td>Applicants notified of grant status</td>
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<tr>
<td>June 12 - July 3, 2020</td>
<td>Grant Agreements created and executed</td>
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The identified schedule for Match on Main funding rounds as indicated above is subject to change at the sole discretion of the MEDC.

**Grant Program Outline**

**Eligible Applicants:**
A Select or Master level Michigan Main Street program, in conjunction with an eligible Business seeking reimbursement for eligible activities and expenses under the Match on Main program.

**Eligible Business:**
- locally owned and operated, non-franchise
- for profit or non-profit
- located within the Main Street district
- activating vacant space in the main street district by either 1) being a new business in the district or 2) being an existing business that is expanding into underutilized or vacant space. This includes interior or exterior space or a combination of both.

**Eligible Activities and Eligible Expenses:**
Grant funds will be awarded up to $25,000 for project activities directly related to the following types of eligible expenses paid by the Business to independent third parties for: technical assistance for interior or exterior design or layout, interior renovations, physical transformation of exterior space, or working capital. All eligible expenses must be otherwise acceptable to the MEDC.

- **Technical Assistance (Interior design and layout or exterior space activation design and layout)** activities include expenses for items such as conceptual renderings of the interior or exterior floor plan, merchandise layout, other interior or exterior design concepts, and construction drawings, or plans or specifications for interior or exterior space activation.
- **Interior Renovations** include expenses for activities for interior building renovations, including rehabilitation of floors, walls, ceiling, rooms, electrical improvements, lighting and lighting
fixtures, furniture and display renovations, installation of permanent kitchen or other equipment, and/or fire suppression or other code compliance items.

- **Physical Transformation of Exterior Space** include expenses for activities related to permanent or semi-permanent activation of an outdoor dining area, beer garden, or other place-based outdoor activation deemed acceptable by the MEDC.
  - Physical transformation of exterior space activities that would not be considered include expenses for: Exterior plants or other landscape improvements, exterior maintenance, other exterior space repairs, or other non-placed based outdoor activation determined at the sole discretion of the MEDC.

- **Working Capital** includes activities for expenses such as the purchase of a point of sale system, marketing expenses, or inventory expenses for retail goods.
  - Working capital activities that are not eligible include: employee wages, salaries or benefits, or rent, mortgage, land contract or lease payments, utilities, equipment, machine or vehicle leases, vehicle payments, taxes, interest or insurance, professional fees, federal, state, or local application, licensing, permit or similar fees, bank or other lender financing, interest, or inspection fees or costs, credit card processing fees, or any other capital expenditure (including soft costs) deemed ineligible at sole discretion of the MEDC.

**Evaluation Criteria**

Projects will be evaluated on a variety of factors, including but not limited to:

- Proposed project activities
- Proposed project expenses
- Overall impact of the business within the MS district
- Fit with the community’s vision, priorities and strategy
- Job creation
- Activation of underutilized or vacant space
- Leveraged private investment
- A clear understanding of the total project costs and available matching funds
- Clarity and strength of the business plan

**Other Program Requirements**

- The eligible Select or Master level Michigan Main Street program will submit one application for each eligible Business with project activities.
- The Business must work with the Small Business Development Center to help develop and/or refine the business plan and financial projections.
- The Business owner is encouraged to maintain a relationship with the local Main Street Director and the Small Business Development Center.
- The Business will allow the local Main Street Director and the Michigan Small Business Development Center to share information with the MEDC.
- The MEDC requires a final written grant agreement with the Applicant (the local Main Street program) prior to any expectation of grant funding from the MEDC to the Applicant. Funds are paid to the Applicant under the terms and conditions of the final written grant agreement with
the Applicant. Ultimately, any such Match on Main grant funds will be distributed to the Business by the local Main Street program on a reimbursement basis for paid eligible expenses.

- Only one grant disbursement request to the MEDC may be submitted by the Applicant, and only one grant payment will be made by the MEDC to the Applicant.
- The Applicant (not the Business) must be registered in SIGMA VSS to receive payment.
- The Applicant is subject to an MEDC background check process.
- A Business must complete the proposed project within 6 months of the effective date of the MEDC grant agreement with the Applicant.
- An application that does not result in award funding may be modified and resubmitted under a future Match on Main funding round subject to meeting all the requirements of any such funding round.
- The Business must match the grant amount by contributing its own cash or other private funding in the amount of at least ten percent of the grant amount.
- Only space activated after the date the Match on Main application is submitted may be considered under the Match on Main program.
- Only eligible expenses incurred after the date the application is submitted may be considered for reimbursement under the Match on Main program.
- Any space activation or incurred expense is entirely at the sole risk of the Business.

Project Process Flow

- **STEP 1 – Connect with your local Main Street Director to discuss project**
  The Business will set up a meeting with their local Main Street Director to discuss the proposed business expansion plans or desired new business plans. This will include discussion of location, project overview, and summary of the Business. The Business should allow a minimum of five weeks prior to the application deadline to engage with SBDC to maximize refinement process.

  Business plans must follow the outline identified in the Match on Main application and contain all required sections. The Business must provide detailed sources and uses for planned activities. Quotes from contractors, builders, and equipment must be included.

  The Main Street Director will screen for eligibility and overall fit for the Match on Main grant opportunity. If the Main Street Director believes that the Business, proposed activity and proposed expenses meet the Match on Main program criteria, the Main Street Director will review the application and needed documentation with the Business owner.

- **STEP 2 – Connect with your regional Small Business Development Center office**
  The local Main Street Director will connect the Business and the Small Business Development Center’s business consultant to coordinate SBDC assistance toward the development and review of the business’ business plan. Business owners must work with the Michigan Small Business Development Center to review and refine their business plan, which is submitted as part of the Match on Main application. This may take multiple meetings and the Business will work directly with SBDC to ensure the business plan includes all information requested as part of the Match on Main application.
• **STEP 3 – Local Main Street Director Review**
  Once the business plan is ready, it will be reviewed by the local Main Street Director and attached to the Match on Main application. The Main Street Director will complete the application by gathering all relevant information from the small business owner. The local Main Street Director will perform an initial screening of the project and business plan. The local Main Street Director may request additional information. The local Main Street Director will submit all materials and officially sign off on the application.

• **STEP 4 – MEDC Review**
  Once the application is submitted to the MEDC review team, it will be evaluated by the MEDC. MEDC staff may contact the Applicant or the Business for more information.

• **STEP 5 – Congrats! Match on Main Grant Awarded**
  If approved, the MEDC will proceed toward finalizing a grant agreement with the Applicant (the local Main Street program.)

**Bridge Financing Available Through Lake Trust Credit Union**
Lake Trust Credit Union cares about the well-being of Michigan business owners and the important role they play in creating vibrant communities. Lake Trust Credit Union is familiar with the Match on Main Program, its application process and how the program supports small businesses opening or expanding in Michigan Main Street districts. It has advised the MEDC that it has tools in place to assist small business owners with financing that may be needed to bridge a gap between the Match on Main award and reimbursement.

Small business owners may be interested in connecting with Lake Trust to explore financing options. If there is need and interest, Main Street Directors should contact Lake Trust Credit Union representatives Karen White and Andrea Mosher to explore Lake Trust Credit Union Services, and begin the process of connecting the small business owner with a Lake Trust Credit Union branch in order to complete the loan application.

**Primary Contact:**
Karen White
517-267-7269
kwhite@laketrust.org (preferred)

**Secondary Contact:**
Andrea Mosher
734-462-8525
amosher@laketrust.org

The small business owner will need to work directly with the Lake Trust Credit Union branch to process any financing application, other financial requirements, and disbursement of funds. Financing through Lake Trust Credit Union is completely optional and is not required for consideration of a Match on Main award. Approval of financing through Lake Trust Credit Union is completely under the direction and control of Lake Trust Credit Union.