MATCH ON MAIN

Program Guide

Program Description

Match on Main is a reimbursement grant program, provided by the Michigan Economic Development Corporation, that serves as a tool to support new or expanding place-based businesses by providing up to $25,000 in funding to support an eligible small business through an application submitted, administered, and managed by the local unit of government, downtown development authority, or other downtown management or community development organization where the business is located.

The MEDC finds value in supporting place-based businesses located in Redevelopment Ready Communities® and 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 communities gain by participating in these programs. The grant applicant – which is the local entity applying on behalf of the small business seeking grant support – must represent a community that is an essentials or certified Redevelopment Ready Community® or is a select or master level Michigan Main Street Community.

The focus of Match on Main is to support place-based businesses as they seek to launch and grow on main street. Small businesses are the cornerstone of what makes Michigan's downtowns unique and authentic. This program aligns to the MEDC's strategic focus areas, including the continued effort toward developing attractive places.

Program Goals
Match on Main strives to:
1) Support the creation and growth of place-based businesses located in select or master Michigan Main Street districts or essentials or certified Redevelopment Ready Communities® across the state
2) Provide access to capital for place-based businesses, create and retain jobs, leverage private investment, and activate vacant or underutilized space
3) Provide eligible communities with a business recruitment and retention tool as they work to grow and support their local entrepreneurial ecosystem.

How the Match on Main Program Works:

The Match on Main program provides grant funding to support an eligible small business desiring to launch or grow on main street by providing up to $25,000 in funding, **reimbursed** for eligible activities. The program is administered and managed by the local unit of government, downtown development authority, or other downtown management or community development organization who serves as the "eligible applicant". The eligible applicant will select one eligible business, per application, located in their traditional downtown or other eligible business district to include for support – with a maximum of two applications submitted per funding round.

Step 1: Decide to Apply for Funding

Who can apply?
Eligible applicants include local units of government, downtown development authorities, Michigan Main Street programs, or other community or economic development organizations that represent a traditional downtown district, historic neighborhood commercial corridor, or an area planned and zoned for concentrated commercial development. The grant applicant must represent a community that is essentials or certified in the Redevelopment Ready Communities® program or is a select or master Level Michigan Main Street Community.

The MEDC will prioritize applicants that demonstrate a history of supporting businesses within the district for which they are applying.

Eligible applicants can select up to two eligible businesses and each business requires a separate application. If a community has multiple organizations that could be considered qualified applicants, the organizations should communicate with one another to avoid competing application submissions. Please note that the MEDC will only award grant funds to one qualified applicant under each grant agreement. If multiple applications for the same community are submitted, they must represent different traditional commercial districts within the community. If multiple applications are submitted by different organizations on behalf of the same district, the MEDC reserves the right to deny any or all of the applications. See timeline on Appendix F for the application deadlines and other important dates.

STEP 1: Decide to Apply for Funding
⬇
STEP 2: Select business that will be included in the Application
⬇
Step 3: Complete MEDC Match on Main Application
⬇
Step 4: MEDC Review
⬇
Step 5: Awardees Announced

What type of businesses qualify for funding?
The applicant must certify the business included in the application meets all eligibility criteria in order for the application to be considered:

> **Businesses must meet all of the following eligibility requirements:**
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> - The business is located within the boundaries of the community the applicant serves
> - The business is located within a traditional downtown, historic neighborhood commercial corridor, or area planned and zoned for concentrated commercial development that contributes to a dense mixed-use area with multi-story elements
> - The business sells products and/or services face to face AND has a physical location within a traditional downtown, historic neighborhood commercial corridor, or area planned and zoned for concentrated commercial development (Ex. The business has a storefront location downtown)
> - The business will have, or intends to have, control over the site for which they are applying prior to Match on Main application. Please note: changes in the proposed business location after grant selection may result in grant being forfeited.
> - The business may be operating as a for profit or non-profit
> - The business is headquartered in Michigan

Ineligible businesses: franchises (including independent contractor agreements), businesses located in strip malls (unless located in an area zoned and approved for future concentrated mixed-use development), "big box" retailers, businesses whose primary sales come from marijuana, CBD, or tobacco, and/or any other businesses deemed ineligible by the MEDC. In addition, the business must not have received or been approved to receive support from the MEDC Match on Main Grant Program within the last 36 months. A business **WILL NOT BE EXCLUDED** if they have been awarded a MEDC Match on Main COVID19 Response Program Grant or any other MEDC or MSF COVID19 programs.

What are the eligible expenses which may be reimbursed with grant funding from Match on Main?
A business interested in working with their local community to apply for a Match on Main grant must have a project and scope identified. Grant funds will be awarded up to $25,000 to reimburse project activities occurring at a permanent commercial space, that fit within the following eligible expenses, which must be paid by the business to an independent third party:

- Expenses for technical assistance items for design and layout of interior or exterior space, such as conceptual renderings of the interior or exterior floor plan, merchandise layout, other interior or exterior design concepts, and construction drawings, plans or specifications for interior or exterior space activation.
- Expenses for interior building renovation items, 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.
- Expenses for permanent or semi-permanent activation of an outdoor space, including a dining area, beer garden, or other place-based outdoor activation deemed acceptable by the MEDC. Exterior signage, doors and windows may be permitted as an eligible expense if part of a larger outdoor space activation project.
- Expenses for permanent or semi-permanent business infrastructure related to COVID-19 recovery efforts such as items that promote the health and safety of employees and customers (examples include plexiglas barriers, curbside service windows, etc.).
- Expenses for general marketing, technology to assist in connecting with customers (example: website upgrades or e-Commerce integration), operational changes (example: shifting from dine in to carry out), the purchase of a point-of-sale system, or inventory expenses for retail goods.

All eligible expenses must be otherwise acceptable to the MEDC.

Expenses that are **not** eligible include: exterior improvements that could be considered as general maintenance, repairs, landscaping, or other non-place-based outdoor activation, employee wages, salaries or benefits, rent, mortgage, land contract or building or land lease payments, utilities, leases for equipment, 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, inspection fees or costs, credit card processing fees; non-infrastructure COVID-19 expenses, such as disposable PPE, including masks or other face coverings, gloves, or hand sanitizer, property acquisition, projects on residential property, or any other capital expenditure (including soft costs) deemed ineligible at sole discretion of the MEDC.

Only eligible expenses incurred after the date the application is submitted may be considered for reimbursement under the Match on Main program. Any incurred expense is entirely at the sole risk of the Business.

Is the business required to obtained third party cost estimates as part of the application process?
Yes. Third party costs estimate must be obtained and included with the application. The cost estimates shall align with the project scope and budget. Third party cost estimates for services shall include the name of the company providing the estimate, address, phone number, email and website if applicable, scope of service, estimated cost, and date. Cost estimates for products or goods may be reflected by providing PDF documentation of online shopping cart or other similar proof of cost.

Does this grant program require a match from the local business?
Match on Main requires a ten percent (10%) cash match.

How is the grant funding disbursed to businesses?
Match on Main is a reimbursement grant program. If awarded, grantees will submit copies of paid receipts of eligible expenses that align with the project budget as outlined in the application, for the total grant amount plus ten percent (10%), within six months of the executed grant agreement.

Example:

Total Grant Award	Required Match	Total amount of paid receipts to be submitted
25,000	2,500	27,500

Step 2: Select the Business that will be included in the Application

Who is responsible for selecting the business to include in the application?
The applicant will identify the business that is recommended to receive grant support through the Match on Main program. Each application will identify one business to receive grant support. An applicant may submit no more than two applications. The applicant may apply for up to $25,000 (with a minimum requirement of at least $5,000) to administer to the small business.

How should the applicant determine which business to include in their application?
The MEDC has provided a Local Business Worksheet (Appendix C) to assist applicants in determining if a business is eligible. The Local Business Worksheet is also intended to assist the applicants in identifying whether the business has a highly competitive project as defined by the evaluation criteria (outlined in Step 4: MEDC Review), whether the project is able to be completed within six months of grant agreement execution, and whether the project fits within the applicant's local priorities. The Local Business Worksheet will be required to be submitted with the application. The Local Business Worksheet is completed by the business owner and provided to the applicant.

The MEDC recognizes that applicants may have many eligible businesses within their districts that have projects suitable to receive funding. Because selecting one or two out of multiple interested businesses may be difficult, the MEDC has provided an example Business Scoring Matrix document (Appendix D) that eligible applicants can use to prioritize which business will be included in the application.

The Business Scoring Matrix document is OPTIONAL to be used as a reference in creating a transparent process for selection and will not be required as part of the application. The selection of which business to include in the application is completely determined by the eligible applicant.

How should the applicant avoid any conflict of interest in their selection process?

As an applicant considers and selects a business to include with the application, the applicant should evaluate whether there is any direct or indirect contractual, financial, business or other interest among the applicant and the proposed eligible business, as well as among their respective officers, directors, employees or affiliates, that would conflict in any manner with applicant's performance obligations to the MEDC under the Match on Main program, the business' performance obligations to the applicant, or that would create an appearance of impropriety. As an example, a business owner that is also part of the local applicant's board cannot have any part or perceived role in the selection process, or management of the MEDC grant or MEDC funding.

A conflict of interest clause is included as part of the grant agreement. Every case and situation that may cause a conflict of interest is different. Every applicant is responsible to evaluate and effectively manage its responsibilities to avoid any conflicts of interest.

Step 3: Complete MEDC Match on Main Application

What can I expect when applying for the Match on Main program?

To assist you in preparing a complete submission, a copy of the application will be included in advance of the application opening as an appendix (Appendix B) and can be found on https://www.miplace.org/match-on-main once it becomes available.

Tips for a successful application submission

- Reference Appendix B, a copy of the application, and prepare your answers prior to starting the online application.

- Use the latest version of the Google Chrome web brower to complete the application (Version 89).

- Make sure all attachments are completed & uploaded to the application

Applicants may wish to record answers in a separate word document and gather all attachments (see details below) before starting the online application. It is highly recommended that the applicant use the newest version of the Chrome web browser (Version 89) to complete the application.

Certain attachments will be requested in order for an application to be deemed complete. Please carefully review the list below to understand what will be required and/or optional based on the type of business that was selected for the Match on Main Application.

- REQUIRED: Local Business Worksheet (Appendix C)
- REQUIRED: Project Cost Estimates from a Third-Party that reflect total private investment. Private investment includes any non-Match on Main funds that will be leveraged to implement the project within 6-months of an executed grant agreement. All costs associated with the proposed project should be reflected in the required third-party cost estimates.
- REQUIRED: A minimum of three photos that represent the scope of Match on Main request; this should include at least one exterior photo and at least one photo of the interior of the space (acceptable file types: PNG, JPEG, and PDFs).

- REQUIRED FOR NEW BUSINESSES: For businesses in operation 12 months or less, a copy of a detailed Business Plan that has been reviewed by a third-party small business resource provider, such as the Michigan Small Business Development Center (MI-SBDC). At a minimum, the Business Plan should include an executive summary, company introduction, description of products or services offered, an overview of operations, and a two-year projected cash flow. (If the business has been in operation for more than 12 months, this attachment is OPTIONAL.)
- OPTIONAL: Business Scoring Matrix Document (Appendix D)

Will an application be able to be revised after it is submitted?
As a general rule, no. However, after an application is submitted to the MEDC, it is reviewed for completeness and to ensure the applicant meets eligibility requirements. If a technical issue within the application is found, such as a question left blank or a required attachment is missing, MEDC staff may, at its sole discretion and without any requirement to do so, notify the applicant and provide an opportunity to address the technical error found.

If the application does that not receive funding, can it be revised and resubmitted in a future funding round?
Yes. 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.

Step 4: MEDC Review

How will the MEDC be evaluating applications?
Applications will be evaluated based on a variety of considerations, including:

- Considerations related to the applicant organization:
  o History of supporting businesses within the district where the eligible business is located
  o Alignment of selected business and proposed project with mission, vision and/or strategic priorities of the applicant organization
  o Demonstrated administrative capacity and plan for program management
  o Transparency of process used to select the business included in the Match on Main application

- Evaluation considerations related to the applicant business and proposed project may include:
  o Clarity and completeness of project scope documentation, including cost estimates and budget
  o Private investment by the selected business
  o Additional resources leveraged to support the business and/or proposed project
  o Impact Match on Main funds will have on the selected business
  o Jobs created and/or retained as a result of the proposed project
  o Availability of private sources funding to implement project prior to Match on Main grant reimbursement

Additional factors may also be considered including the geographic distribution of funding across various regions of the state and the location of selected businesses in geographically disadvantaged areas (as defined by either a State Opportunity Zone or a State HUBZone).

Step 5: Awarding Grants

What is the timeline for the announcement of awardees?
The MEDC is planning to notify applicants of grant award decisions within 5 weeks of the application window closing. All applicants will be notified of grant status by email.

What is the general process and timing to enter into a grant agreement with the MEDC?
Once applicants are notified that they have been selected as a proposed Match on Main grantee to support an eligible business, the MEDC will immediately begin processing the Grant Agreement cases. This may take 4 – 12 weeks. Once the grant agreement has been created, it is sent to the grantee for signature and sent back to the MEDC for signature. A fully executed grant agreement is provided to the grantee once all signatures are complete. The business owner receiving funds is not required to sign the grant agreement but will sign and certify Appendix E, a Grant Disbursement and Compliance Form, as part of the ultimate disbursement of funds from the MEDC to the applicant.

How is the grant paid out?
The MEDC requires a final written grant agreement with the Applicant prior to any expectation of grant funding from the MEDC. 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 grantee on a reimbursement basis for paid eligible expenses. **Only eligible expenses incurred after the date the application is submitted may be considered for reimbursement under the Match on Main program.**

Only one grant disbursement request to the MEDC may be submitted by the grantee, and only one grant payment will be made by the MEDC to the grantee. The business must match the grant amount by contributing its own cash or private funding in the amount of at least ten percent of the grant award. The business must complete the proposed project within 6 months of the effective date of the MEDC grant agreement with the Applicant.

Any incurred expense is entirely at the sole risk of the business.

How can the applicant assist the business in completing the project prior to receiving grant reimbursement?
The business may need to connect with a financial institution to borrow money to complete the project prior to receiving the reimbursement of eligible expenses through the program. Many communities have relationships with local lenders that may help support the business through this. In addition, organizations that have the means and capacity to legally provide a mechanism that will advance funds directly to the selected business may consider setting up a process to do so. Regardless of how the community or local business decides to financially manage eligible expenses prior to reimbursement, the MEDC is **only** obligated to reimburse eligible expenses in accordance with the executed grant agreement. Finally, there may be bridge financing opportunities available. Please work with your Community Development Manager (CDM) to identify local resources.

Grant Disbursement Request, Compliance and Reporting Requirements
If an application is approved for funding, Match on Main grantees must verify that they are willing to comply with all MEDC requirements, including but not limited to, marketing promotions, reporting and compliance. Grantees will be expected to issue a sub-grant to the selected business and will be required to collect reporting and compliance data from the selected business.

Appendix List
- Program Fact Sheet (Appendix A)
- Copy of Match on Main Online Application (Appendix B)
- Local Business Worksheet (Appendix C)
- Business Scoring Matrix (Appendix D)
- Grant Disbursement & Compliance Form (Appendix E)
- Timeline (Appendix F)
- Background Check Forms (Appendix G)