Program Description

*Optimize Main Street* is a pilot program that will support place-based businesses located in select or master level Michigan Main Street districts by providing technology-related technical assistance and grant funding. By expanding technology expertise and use of digital tools, participating businesses will aim to refine efficiency in business operations, improve connectivity to customers, and/or increase sales. The *Optimize Main Street* program is implemented through a combination of one-on-one business coaching, a customized learning module, and up to $2,500 in a technology grant.

The Michigan Economic Development Corporation (MEDC) finds value in piloting the *Optimize Main Street* program in Michigan Main Street Districts because of the existing local capacity available to support new and existing small businesses. By participating in the Michigan Main Street program, communities have previously demonstrated the ability to provide technical assistance, training, and education to place-based businesses within their respective districts. Each local Michigan Main Street Program is eligible to select up to five small businesses to participate in the pilot program.

The MEDC has partnered with Northern Initiatives (NI), a Michigan-based CDFI, to serve as the administrator of this program. *Optimize Main Street* builds upon the MEDC’s ongoing partnership with Northern Initiatives - which provides increased access to the robust small business learning portal called *Initiate*. In addition, *Optimize Main Street* is the MEDC’s first small business financial incentive that ties grant dollars directly to technical assistance milestones.

**Program Goals:**

*Optimize Main Street* strives to:

- Support place-based business resiliency by providing 1-on-1 coaching and educational resources on technology and digital tools, as well as funding to support implementation.
- Build awareness for the Small Business Services *Initiate* platform tool
- Assist businesses located in geographically disadvantaged areas

**How the *Optimize Main Street* program works:**

Each participating select or master level Michigan Main Street program will complete the *Optimize Main Street* Application (Appendix A). Within the application, the Michigan Main Street organization will list the businesses within their district that they have selected to participate in the pilot program (maximum of 5 businesses). Prior to the *Optimize Main Street* Application being submitted, all participating businesses must complete an online Business Technology Assessment (Appendix B). The Business Technology Assessment is estimated to take 30 minutes to complete.

Once businesses have been selected at the local level and have been accepted into the program, the business will receive notification from the MEDC. The MEDC will direct business owners to begin the program – which includes attending two one-on-one business coaching sessions (not to exceed 2 hours in total), reviewing a customized educational track of technology related resources through *Initiate*, receiving grant funds up to $2,500 to assist with technology implementation, and ultimately completing the post-grant award survey which will be sent in January 2023.

In order to be eligible for the grant award, the business will have 45 days to complete the technical assistance requirements.
Michigan Main Street Programs Select Participating Businesses

All select or master level Michigan Main Street programs in good standing as of December 31, 2021 are eligible to submit an application and identify up to five place-based businesses to participate in this program. The selection of participating businesses is a local decision. Each Main Street Program may set their own priorities for selection. Participating Main Street Organizations will complete the required application (Appendix A) prior to the deadline which will include each selected small business owner. Prior to the Optimize Main Street Application being submitted, all participating businesses must complete an online Business Technology Assessment (Appendix B). The Online Business Technology Assessment is estimated to take 30 minutes to complete.

Business Eligibility & Qualities

Each Main Street Program will certify that the small businesses selected to participate in the program meet the following eligibility requirements:

- Have completed the online Business Technology Assessment via Google Forms (Appendix B)
- Have a physical location located in the Michigan Main Street district or DDA district that the Main Street Program oversees
- Are headquartered in Michigan
- Have a need for technology integration
- Are coachable and committed to completing the required technical assistance
- Can complete the minimum required coaching and technical assistance within 45 days of application award notification

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.

Small Businesses Begin Working with Northern Initiatives

Following the application submission, the MEDC with Northern Initiatives will review applications to ensure selected businesses meet eligibility requirements. Once eligibility is determined, MEDC staff will contact selected businesses, notify them of program selection, and introduce them to their business coach at Northern Initiatives. Each business will work directly with Northern Initiatives to complete the program requirements, which must be completed within 45 days from notification of program selection.

What are the requirements for a participating small business?

Each business will work directly with Northern Initiatives to complete the program requirements, which must be completed within 45 days from notification of program selection. Businesses will be required to complete the following steps in the order listed below:

- Step 1: The business will schedule and attend a 1:1 initial coaching session with a Northern Initiatives (NI) Business Coach. During this session, Northern Initiatives will go over the Business’s technology assessment and discuss recommended resources via the Initiate platform
- Step 2: Business receives and completes a customized learning module through Initiate.
• Step 3: Upon completion of Step 2, the business will schedule and attend a 1:1 follow-up meeting with a Northern Initiatives business coach. During this session, the business owner will review the modules with the NI coach and discuss how the technology grant will be used.

• Step 4: After the 1:1 follow-up meeting, Northern Initiatives will perform a final verification that program requirements have been met & will process the grant disbursement request. During this time, the business will implement the project within the 45-day compliance period.

• Step 5: By participating in the Optimize Main Street Pilot Program, businesses will commit to completing the post-program survey, which will be distributed via email by Northern Initiatives in January 2023.

How will grant funds be disbursed?
The *Optimize Main Street* pilot program will provide small businesses up to $2,500 in grant support following the successful completion of program requirements. At the final one-on-one coaching session, the business and the NI Business Coach will identify how the business will use the grant funds. Awarded grant funds – in most cases – will need to be reportable on IRS Form 1099.

What eligible expenses may be covered with grant funding from the *Optimize Main Street* program?
Grants will be awarded in the amount of up to $2,500 per eligible business. Grants may be used by eligible businesses who successfully complete all program requirements. Funds may be used to purchase hardware, software, or third-party contract services that will incorporate or advance the usage of technology within the business to increase efficiency in business operations, improve connectivity to customers and/or increase sales.

Examples of eligible expenses include:

- Hardware – computer, laptop, tablet, modem, WiFi equipment, printer, point of sale system, camera, lightbox, or similar equipment to advance technology operations for the business
- Software – website development including domain name, web hosting and/or e-commerce integration, web platform subscriptions including QuickBooks, point of sale, printing, graphic design, content management, email marketing, or similar platforms
Contract Services from a third party – grantee may work with a small business or third-party contractor that has expertise to help grantee meet technology goals, ex. mobile optimization, social media content calendar creation, SEO, email marketing, etc.

Grant funds may not be used for advertising expenses, lead generation (such as online advertisements, paper advertisements, and/or purchasing customer lists), or other expenses deemed unacceptable to the MEDC. Funds may not be used prior expenses incurred.

The Business will work directly with the Northern Initiatives Business Coach to identify eligible use of funds and estimated costs prior to funds being disbursed.

**Program Launch & Timing**

The application and selection of *Optimize Main Street* participants will be conducted in three phases with approximately one third of eligible select and master level Michigan Main Street Programs applying for each round. Each coaching round will include an average of 42 small business participants.

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<thead>
<tr>
<th>Date</th>
<th>Event</th>
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<tbody>
<tr>
<td>January 12, 2022</td>
<td>Round 1 Application Opens</td>
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<tr>
<td>February 4, 2022</td>
<td>Round 1 Application Closes</td>
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<tr>
<td>February 11, 2022</td>
<td>Round 1 Businesses Selected &amp; Notified</td>
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<td>April 1, 2021</td>
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<td>February 21, 2022</td>
<td>Round 2 Application Opens</td>
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<td>March 18, 2022</td>
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<td>March 25, 2022</td>
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<td>May 13, 2022</td>
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<td>April 11, 2022</td>
<td>Round 3 Application Opens</td>
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<td>May 6, 2022</td>
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<td>June 24, 2022</td>
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