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# MATCH ON MAIN

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Application Guide



## **Program Description**

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

Small businesses are the cornerstone of Michigan Main Street Communities. 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.

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. They serve as a conduit to connect the small business owner with resources available through the Small Business Development Center and the potential opportunities for funding through Match on Main.

## **Program Goals**

The goal of Match on Main is threefold:

- 1) to strengthen small business through working with the local Main Street program and through consulting with the Small Business Development Center thus making the business more sustainable for the long term,
- 2) to reactivate underutilized and vacant commercial space in MMS districts, and
- 3) to grow the Community’s entrepreneurial ecosystem by supporting place-based businesses that fit within the Main Street Program’s strategy and priorities.

## **Eligible Applicants**

Select or Master level Michigan Main Street programs, in conjunction with eligible businesses seeking support are able to apply for Match on Main. The local Main Street program must be in good standing with Michigan Main Street and RRC. The Match on Main program is seeking to support locally owned and operated, non-franchise, businesses located in or looking to establish themselves in a Main Street district. This includes new businesses, businesses relocating to the district, or businesses currently located in the district who are expanding their business by stimulating underutilized or vacant space within buildings.

## **Grant Program Outline**

Once a business has been identified with potential project activities that fit within the Match on Main program, the local Main Street program may begin to complete the application. Applications may be submitted for project activities directly related to the following tracks. The potential project activities for the business may fall within Track 2 “Interior Renovations” OR Track 3, “Working Capital,” but not both, based on their needs. In addition to applying to Track 2 or 3, the project activities may also include a

request for Track 1, “Technical Assistance (Interior design and layout),” to help identify design and layout needs of the interior space. Applying to Track 1 first is not required to apply for Track 2 or 3 and an applicant could apply to Track 1 exclusively.

*Track 1 – Technical Assistance (Interior design and layout)*

- New or expanding businesses may identify project activities requested for technical assistance that will provide conceptual renderings of the interior floor plan, merchandise layout, and interior design concepts.
- Grant award is up to \$5,000.
- Business must provide a 10 percent cash match.

*Track 2 – Interior Renovations*

- New or expanding businesses may identify project activities for interior building renovations, furniture and fixtures, permanent equipment, and/or code compliance.
- Businesses that are considered “expanding” are activating new floor space outside of their current footprint. Expanding businesses may also identify project activities for interior building renovations, furniture and fixtures, permanent equipment, and/or code compliance.
- Grant award is up to \$25,000 per business.
- Business must provide a 10 percent cash match.
- Business must provide detailed sources and uses for planned activities. Quotes from contractors, builders, and equipment must be included.

*Track 3 – Working Capital*

- New or expanding businesses may identify project activities for working capital. Examples of eligible working capital include: purchase of a point of sale system, marketing expenses, or inventory of retail goods. Activities not eligible under working capital include: employee wages or benefits, rent, mortgage payments, utilities, machine leases, vehicle leases, taxes and insurance, professional fees, credit card processing fees and other soft costs.
- Businesses that are considered “expanding” are activating new floor space outside of their current footprint.
- Grant award is up to \$25,000 per business.
- Business must provide 10 percent cash match.
- Business must provide detailed sources and uses for planned activities.

**Types of Activities Allowed**

Grant awards under Track 1 and Track 2 may be used for interior work only. Track 3 provides grant awards for working capital. Applications may be submitted for project activities directly related to the following tracks. Projects that fit this description would include but are not limited to:

*Track 1 – Technical Assistance*

- Conceptual renderings of interior floor plan
- Merchandise layout plan
- Interior design concepts
- Construction drawings for interior renovations

*Track 2 – Interior Renovations*

- Building renovations including floor, wall, or ceiling rehab
- Electrical improvements
- Lighting and fixtures
- Bathrooms
- Kitchen or other permanent equipment
- Furniture or displays
- Fire suppression or other code compliance items

*Track 3 – Working Capital*

- Point of sale system
- Marketing expenses (must be identified and included with a Marketing Plan)
- Inventory of retail goods
- Other operational expenses could be considered

**Grant Dollars**

Eligible businesses must have a minimum 10 percent cash match. Applicants may apply for Match on Main in one of the following scenarios:

| Scenario 1  | Scenario 2  | Scenario 3  |
|---|---|---|
| <p>A business is applying for Track 1 exclusively.</p> <p>Maximum grant award: \$5,000</p> <p>Minimum match: \$500</p>    | <p>A business is applying for Track 1 and Track 2</p> <p>Maximum grant award:<br/>Track 1: \$5,000<br/>Track 2: <u>\$25,000</u><br/>\$30,000</p> <p>Minimum match:<br/>Track 1: \$500<br/>Track 2: <u>\$2,500</u><br/>\$3,000</p> | <p>A business is applying for Track 1 and Track 3</p> <p>Maximum grant award:<br/>Track 1: \$5,000<br/>Track 3: <u>\$25,000</u><br/>\$30,000</p> <p>Minimum match:<br/>Track 1: \$500<br/>Track 3: <u>\$2,500</u><br/>\$3,000</p> |
| Scenario 4  | Scenario 5  |   |
| <p>A business is applying for Track 2 exclusively.</p> <p>Maximum grant award: \$25,000</p> <p>Minimum match: \$2,500</p> | <p>A business is applying for Track 3 exclusively.</p> <p>Maximum grant award: \$25,000</p> <p>Minimum match: \$2,500</p>   |   |

**Evaluation Criteria**

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

- 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
- Strength of the business plan

#### **Other Details**

- The Select or Master level Michigan Main Street program will submit one application for each business with eligible project activities. A business may receive funding through Match on Main one time.
- 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 strongly 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 SBDC to share information with the MEDC.
- Funds will be distributed to the business through the local Main Street program on a reimbursement basis for expenses paid as acceptable to the MEDC.
- Grants will only be made to an applicant deemed eligible by the MEDC.
- The local community is subject to an MEDC background check process.
- Businesses must complete the proposed project within 6 months of the effective date of the grant agreement.

#### **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 business. Together the business and Main Street Director will review the Match on Main application, eligible activities and overall fit for the Match on Main grant opportunity.
- **STEP 2 – Connect with you 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. 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 – Complete Application & Submission**  
The Main Street Director will complete the application by gathering all relevant information from the small business owner. 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 local Main Street Director will perform an initial screening of the project and business plan and may request additional information. Once completed, the application is submitted to the MEDC.
- **STEP 4 – MEDC Review**

Once the application is submitted to the MEDC, it will be evaluated by the MEDC Match on Main Review Team. MEDC staff may contact the applicant or the business for more information.

- **STEP 5 – Congrats! Match on Main Grant Awarded**

If approved, MEDC will proceed toward finalizing a grant agreement with the local Main Street program and the small business owner.

None of the MEDC, the Match on Main program the local community or business are bound until there is a final, written and signed grant agreement that sets forth all of the terms and conditions for the Match on Main award.