



BUSINESS OWNER PROGRAM GUIDELINES

Program Summary

Revitalizing Milwaukee's Historic Commercial Corridors

Entrepreneurs looking to start or expand their business in Milwaukee faces challenges in finding the right space for their business, and filling financial gaps of capital necessary to open a business.

PURPOSE

Brew City Match is an innovative collaboration that will fuel commercial corridor revival and the resurgence of entrepreneurship in Milwaukee. The program is being launched within the Historic King Drive, North Avenue & Fond du Lac, and Cesar Chavez Drive corridors. A map of the program area can be found on the Brew City Match website.

Brew City Match has a goal of helping to start new, permanent businesses in Milwaukee's historic commercial corridors by providing assistance throughout the business start-up and building renovation process.

Brew City Match will match business owners with real estate opportunities while also providing competitive grants, loans, and business education to help both building and business owners to activate commercial storefronts.

ABOUT US

JP Morgan Chase & Co. awarded a \$3.5 million ProNeighborhoods grant to Brew City Match, an economic development effort led by Local Initiative Support Corporation (LISC), in partnership with the City of Milwaukee's Department of City Development, Hmong Wisconsin Chamber of Commerce, Columbia Savings & Loan, MEDC, Wisconsin Women's Business Initiative Corporation (WWBIC), and the Greater Milwaukee Committee's MKE United Initiative.

APPLICATION PROCESS

HOW TO APPLY

To achieve this goal, Brew City Match offers two tracks:

- 1. The Building Owner Track** is for Milwaukee building owners looking to lease vacant commercial space to our awarded businesses within the Historic King Drive, North Avenue/Fond du Lac, and Cesar Chavez Drive corridors and surrounding neighborhoods.
- 2. The Business Owner Track** is for entrepreneurs looking to **start** or **expand** in Milwaukee within the Historic King Drive, North Avenue/Fond du Lac, and Cesar Chavez Drive corridors, and surrounding neighborhoods.

FOUR TYPES OF AWARDS

Business Planning: Up to 25 entrepreneurs will be awarded with business planning classes to start or expand their business. .

Space: Up to 10 entrepreneurs are matched with space from building owner track.

Design: Up to 10 entrepreneurs and landlords receive \$5k allocated for TA design services

Cash: Up to 10 businesses receive a package of business lending and a marketing mini-grant of \$1K allocated for marketing support. Business owner and building owner teams can be considered for larger grants of up to \$40K to renovate commercial properties.

WHEN TO APPLY

Applications are open at the following times:

- Round 1: Applications will open on June 10th and close July 10, 2019
- Round 2: Applications will open on February 10th and close March 10, 2020

Additional rounds will be announced by the end of 2019.

The selection process will take up to 90 days.

Applications can be found online at: www.brewcitymatch.com

HOW DOES THE BUSINESS OWNER TRACK WORK?

ABOUT THIS TRACK

The Brew City Match Business Owner Track is designed for business owners looking to start or expand within the target commercial corridors. Winning businesses must locate within the target neighborhoods for at least 3 years. Target areas can be found on the Brew City Match website at www.brewcitymatch.com/resources.

AWARD LEVELS

Competitive awards are available to meet businesses where they are at along the business development process.

	Business Must Have:	Awards:
Business Plan	<ul style="list-style-type: none"> • A great idea 	<ul style="list-style-type: none"> • Up to 25 winners each round will receive free business planning classes
Space	<ul style="list-style-type: none"> • A great idea • A great business plan 	<ul style="list-style-type: none"> • Up to 10 business owners will be matched with top real estate in the target corridors • Access to financial planning assistance
Design	<ul style="list-style-type: none"> • A great idea • A great business plan • A development plan • Bids for all improvements and business needs 	Up to 10 winners each round will receive: <ul style="list-style-type: none"> • Design, build assistance
Cash	<ul style="list-style-type: none"> • Vacant or under renovation • Current and compliant • Judged most feasible for business • Have a tenant secured • Have a development plan ready • Have funds ready for investment 	Up to 9 winners each round will receive: <ul style="list-style-type: none"> • Up to \$40,000 grant to fill financial gap • Opportunities to apply to lending partners for financing • Opportunities to apply for renovation grants with building owners

Winners may progress through the program by competing for higher award levels in each subsequent round if they have complied with program guidelines at the discretion of the Brew City Match review panel.

Brew City Match Award Details

TWO TYPES OF COMPETITIVE AWARDS

For the Brew City Match Business Owner Track, applicants compete for two types of awards: predevelopment awards and financial assistance awards.

1. Technical Assistance Awards

Business owner technical assistance will be awarded on a competitive basis to eligible property owners for business planning, financial management, and design assistance.

Technical assistance awards include the following packages:

- Business planning
- Space
- Design

Please note that while each of these services offered through technical assistance awards has a value, the only money exchanged between Brew City Match and the awardees would be for winners selected for design services.

2. Financial Assistance Awards

Brew City Match applicants will have the opportunity to apply for financing to a panel of lending partners. To simplify the process, applicants will fill out one application that will be reviewed by five lending partners all at the same time. This allows you to save time while getting the best rates and terms possible. Brew City Match Lending partners include:

- MEDC
- LISC Milwaukee
- Hmong Wisconsin Chamber of Commerce
- WWBIC

Winners selected for lending will also receive a \$1K mini-grant to be used for business marketing.

Competitive grants for building redevelopment are funded through the JP Morgan Chase PRO Neighborhoods funding and the City of Milwaukee's White Box, Façade, and Signage grant programs. These grants must be applied for in partnership with the building owner. They provide flexible funding to help fill the gap in commercial property build-out expenses. Brew City Match will issue monetary grants to qualified awardees based on the eligibility criteria. Matching grants can be used for exterior and interior renovations.

Grants are available for building owners and businesses that can't get any or all of the financing they need to complete the project. Grants are not a substitute for readily available financing. Grant funds are issued on a reimbursement basis. Only work begun **after** the approval of the Brew City Match review team will be eligible for grant funds.

MULTIPLE WAYS TO WIN

Business owners in Brew City Match can compete in successive rounds of the program to win multiple awards as they progress from pre-development to financial assistance.

- Awards are made on a competitive basis due to limited resources
- Business owners can compete to receive every award Brew City Match has to offer
- Receipt and completion of an award does not guarantee selection for a higher award level

Business Owner Eligibility Guidelines

The following section provides the minimum requirements that business owners must meet to be considered for Brew City Match. Those who do not meet the eligibility criteria cannot be considered.

WHO CAN APPLY?

- Sole proprietorships, General Partnerships, Limited Partnerships, Limited-Liability Partnerships, Corporations, Limited Liability Corporations. Not-for-profit organizations are ineligible to apply for the business owner competition.
- First time businesses or businesses looking to expand into a new location within the Brew City Match target neighborhoods.
- Temporary business establishments (pop-ups) or permanent business establishments.
- Businesses looking to relocate may be eligible to apply if the recipient shall minimize, displacement of existing businesses and jobs in their previous location and are able to provide proof through documentation.

MINIMUM ELIGIBILITY:

- Businesses must demonstrate a benefit to the target commercial corridors.
- Businesses must be formed or incorporated before applications are submitted.
- Business owners must be in good standing with the City of Milwaukee, State of Wisconsin, and IRS.
- Businesses must agree to locate within the target corridors for a minimum of 3 years.
- Business owners must agree to complete the relevant technical assistance programs and complete all award requirements.

PROPERTIES WHO ARE INELIGIBLE:

- Businesses owned by City of Milwaukee elected officials, City of Milwaukee employees or members of the Brew City Match review panel

Application Process

HOW TO APPLY:

- Interested building owners can create an online profile and apply online at www.brewcitymatch.com
- Information session will be held periodically and will occur at least once per application period. A schedule of events will be posted at www.brewcitymatch.com.
- Online applicants will receive an automated confirmation after submission.

Selection Process

Brew City Match awards are presented on a competitive basis due to limited resources. The following information shares selection criteria for Brew City Match awards.

SCORING CRITERIA

Properties will be scored on five criteria. Each section is worth 20 points, with a total of 100 points possible.

1. **Vision and business planning** for the business based on the soundness, completeness and uniqueness of the business idea.
2. **Experience and ability** of the business owners and key members of the business team.
3. **Market opportunity** to meet economic demand and provide access to needed products that advance the revitalization of the business corridors.
4. **Community support** for the business concept and the potential of the business to positively impact the corridor.
5. **Leverage** of the business owner investment and other community initiatives in the neighborhood.

SELECTION

1. Eligibility & Finalist Screening

- a. All applicants that do not meet the minimum eligibility will be considered unresponsive and applications discarded
- b. All applicants shall self-select the award track they wish to be considered for.
- c. The Brew City Match review panel will review applications in each track, rank the applications, and then select finalists. Finalists may be asked to provide additional information throughout the review process. The review panel will use this information, along with the online application, to recommend participants for awards.

CASH FINANCIAL ASSISTANCE DETAILS

When a match is made between a property owner and a business owner, the commercial real estate development project may be considered for Brew City Match grant funding, and loans from one or more of the Brew City Match lending partners.

CASH AWARD FUNDAMENTALS

1. The project costs must be considered reasonable as determined by the Brew City Match partner staff and review panel.
2. All sources of the project financing must be identified. Prior to Brew City Match's commitment to awarding a grant, the project team will work with partners to:
 - a. Verify sufficient funding sources have been identified to finance the project
 - b. Participating parties have affirmed their intention to make those funds available; and
 - c. The participating parties have the capacity to provide financing for the project.
3. Brew City Match funds are not intended to be a substitute for readily available private capital. Grants are available for building owners and businesses that can't get any or all of the financing they need to complete the project. Brew City Match funds will be made available to fill a financial 'gap' on the project. To determine the gap on a project, the Brew City Match review panel will consider:
 - a. Whether the business or property owner applied for private financing
 - b. Whether the degree of equity participation is reasonable given industry standards for risk and return and given the financial capacity of the business or property owner to make additional financial investments.
4. The project must be financially feasible.
5. There must be a minimum 10 percent equity investment toward project costs.
6. Grants are issued on a reimbursement basis.

TIMELINE FOR COMPLETION

All grant funded projects must be completed within one year of the grant award.

REQUIRED DOCUMENTATION

Business owners being considered for financial awards must agree to provide the following documentation when being considered for an award:

- Business plan (new business) or a growth plan (for businesses looking to expand)
- Current photos of existing conditions of the property
- Rendering or sketch of the proposed project
- Architectural plans and design plans

- Including color and materials, samples for paint/awning/signage, etc.
- Executed letter of intent or lease acceptable to Brew City Match
- Development plan including construction and renovation cost estimates and bids from at least two licensed and bonded contractors. (Contractors cannot be changed unless new proposals have been submitted and approved by the Brew City Match review panel.)
- Business financial information:
 - Interim balance sheet and income statement
 - Three calendar years/fiscal year-end balance sheets and income statements
 - Current accounts receivable and accounts payable aging
 - Three months of bank statements
 - Business organizing documents
 - Articles of Incorporation (LLC, Corp)
 - Operating agreement (LLC only)
 - Partnership agreement (Partnerships only)
 - Bylaws (Corp only)
- Personal financial information:
 - Signed and dated personal financial statement
 - Three years of personal federal tax returns
 - Last three years of W-2's for each individual
 - Last two months of bank statements for each individual
 - Copy of divorce decree or bankruptcy discharge (if any)

ADDITIONAL INFORMATION

EXPECTATION OF WINNERS

Award winners will be expected to attend events that promote Brew City Match, and be connected to other award winners and resources. They will be asked to share about their business story through a variety of media opportunities. These opportunities will be shared throughout the process.

All award winners are expected to sign a participation agreement, and media release. All grant awards are taxable income.

USE OF DATA

Applicant information will be shared with Brew City Match partners for the purpose of providing follow-up on all applications. If a Brew City Match partner cannot directly help a business, they will recommend and connect the business to one of their non-profit or CDFI partners that can.

CONFIDENTIALITY

Applicant proprietary and confidential data will not be shared beyond the purposes of review during the award selection process and providing business support. Applicants should clearly label any such information as confidential and proprietary. Applicant data will not be sold.