



# **BUILDING OWNER PROGRAM GUIDELINES**

## **Program Summary**

### **REVITALIZING MILWAUKEE'S HISTORIC COMMERCIAL CORRIDORS**

Entrepreneurs looking to start or expand their business in Milwaukee face challenges in finding the right space for their business and finding all necessary capital to open and sustain their 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 offered within the Historic King Drive, Historic Mitchell Street, RiverWorks, 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 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, Legacy Redevelopment Corporation, MEDC, Wisconsin Women's Business Initiative Corporation (WWBIC), and the Greater Milwaukee Committee's MKE United Initiative. Business Improvement District partners include Cesar Chavez Drive, Historic King Drive, Historic Mitchell Street, RiverWorks, Marketplace BID 32, and Near West Side BID 10.

# 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, Historic Mitchell, RiverWorks, North Avenue/Fond du Lac, and Cesar Chavez Drive corridors and surrounding neighborhoods.
2. **The Entrepreneur Track** is for entrepreneurs looking to **start** or **expand** in Milwaukee within the Historic King Drive, Historic Mitchell, RiverWorks, North Avenue/Fond du Lac, and Cesar Chavez Drive corridors, and surrounding neighborhoods.

## TYPES OF AWARDS

**Space Promotion and Matching:** Brew City Match will promote winning spaces and connect property owners to tenants with vetted businesses looking to locate within these Historic commercial corridors.

**Assessment & Design:** Up to 15 building owners per round will receive a building assessment that documents current property conditions, renovation recommendations and cost estimates. They will also be eligible for architectural and design services if significant renovations are necessary for a newly secured tenant.

**Marketing:** All properties selected as winners, that are seeking tenants, will receive 1:1 matchmaking with the top businesses from the Business Track.

**Financing – Grants and Loans:** Building owners who have secured a tenant, have a renovation plan in place, and a strong understanding of the money needed to complete the rehab project will have the opportunity to apply for design and construction grants and project financing through the Brew City Match partners. If there are gaps in financing, property owners will be considered for grants that are paid on a reimbursement basis. Maximum grant awards are \$25,000 per project, not including potential City of Milwaukee grants.

## WHEN TO APPLY

Applications are accepted on an ongoing basis through either completing the interest form at [www.brewcitymatch.com](http://www.brewcitymatch.com) or by connecting directly with the area Business Improvement District.

The selection process will take up to 30 days.

Applications can be found online at: [www.brewcitymatch.com](http://www.brewcitymatch.com)

# HOW DOES THE BUILDING OWNER TRACK WORK?

## ABOUT THIS TRACK

The Brew City Match Building Owner Track is designed for property owners with vacant commercial space. Building owners can compete for pre-development assistance, construction grants, as well as, marketing support to recruit new tenants. Winning properties must be located within the target commercial corridors, be structurally sound, and in good standing with the City of Milwaukee. A map of target areas can be found at [www.brewcitymatch.com/resources](http://www.brewcitymatch.com/resources).

## AWARD LEVELS

	<b>Building Must:</b>	<b>Awards:</b>
<b>Predevelopment Awards</b>	<ul style="list-style-type: none"> <li>• Vacant or new construction</li> <li>• Current and compliant</li> <li>• Judged feasible for business</li> <li>• Have a predevelopment plan in place</li> <li>• Have funds ready to invest</li> </ul>	Winners will receive: <ul style="list-style-type: none"> <li>• Tenant recruitment assistance</li> <li>• Marketing of their property</li> <li>• Up to \$5,000 grant for site assessment, engineering or design expenses</li> </ul>
<b>Financial Assistance Awards</b>	<ul style="list-style-type: none"> <li>• Vacant or under renovation</li> <li>• Current and compliant</li> <li>• Judged most feasible for business</li> <li>• Have a tenant secured</li> <li>• Have a development plan ready</li> <li>• Have funds ready for investment</li> </ul>	Winners will receive: <ul style="list-style-type: none"> <li>• Up to \$25,000 grant to fill financial gap.</li> <li>• Opportunities to apply to lending partners for financing</li> </ul>

# BREW CITY MATCH AWARD DETAILS

## TWO TYPES OF COMPETITIVE AWARDS

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

### 1. Predevelopment Awards

Building owner technical assistance will be awarded on a competitive basis to eligible property owners for tenant recruitment, marketing, site assessment, and commercial property rehab planning. Technical assistance awards include the following packages:

- Space
- Marketing
- Building Assessment & Design

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

## 2. Financial Assistance Awards

Brew City Match applicants will have the opportunity to apply for financing to a panel of lending partners. Brew City Match Lending partners include:

- MEDC
- LISC Milwaukee
- Legacy Redevelopment Corporation

Competitive grants are funded through Brew City Match funding, and eligible projects are matched through the City of Milwaukee’s White Box, Façade, and Signage grant programs. These grants 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 building renovations on the commercial portion. Properties who seek financing through Brew City Match will be more likely to receive the maximum grant award.

**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 and will not be accessed on a “draw-down” basis. Only work begun **after** the approval of the Brew City Match review team will be eligible for grant funds.

## BUILDING OWNER ELIGIBILITY GUIDELINES

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

### WHO CAN APPLY?

- Property owners that own vacant commercial real estate located in the target commercial corridors identified by Brew City Match. A map can be found on the Brew City Match website.
- Properties must be non-residential properties. Commercial, industrial, office, warehouse and co-working spaces will be considered.
- For-profit corporations, companies, and non-profit organizations that own taxable real estate may apply.

### MINIMUM ELIGIBILITY:

- Properties must be vacant

- Work to be performed on first and second floor space with an active street presence
- Property owners must be in good standing with the City of Milwaukee- with no outstanding blight tickets or property tax delinquency
- Properties must be structurally sound
- All work must comply with the City of Milwaukee Development Center building code requirements

#### **PROPERTIES WHO ARE INELIGIBLE:**

- Tax delinquent properties or property owners who have any other tax delinquent properties
- Properties in litigation, condemnation or receivership
- Properties owned by religious groups
- Spaces that are not deemed as proper retail or commercial space
- Properties owned by 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](http://www.brewcitymatch.com) or connect directly with the neighborhood Business Improvement District
- 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](http://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. **Building characteristics and vision** for sustaining a new business.
2. **Conditions** of the building structure.
3. **Community support and market impact** for new business and wider corridor revitalization.
4. **Leverage** of property owner investment in the property and other community investment initiatives.
5. **Compliance** on Brew City Match objectives, property taxes, and blight tickets.

#### **SELECTION**

## **1. Pre-screening**

- a. Applicants are sorted into award tracks.
  - i. Marketing- no tenant secured
  - ii. Assessment and Design- tenant secured, but no development plan
  - iii. Cash- tenant secured, development plan, construction bids, and portion of financing secured

## **2. Application Review**

- a. A panel of community development experts will review applications, analyze scoring, and provide recommendations
- b. The review process will take up to 30 days for selection and award notification

## **3. Additional Documentation**

Building owners being considered for cash awards will be required to submit additional information. Top scoring property owners will be asked to submit required financial information and documentation for grant and loan underwriting.

Property owners may be asked to meet with the review panel to provide additional information on the project.

# **GRANT ASSISTANCE DETAILS**

## **GRANT 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, building owners 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**

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

- 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
  - 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.