

Minnesota Main Street Economic Revitalization Program (MSERP)

Willmar Guidelines and Application-Round 1 Funding

Contacts

Program Administrator
Southwest Initiative Foundation, Scott Marquardt
scottm@swifoundation.org
(320) 583-4629

Program Representative
Kandiyohi County and City of Willmar
Economic Development Commission, Sarah Swedburg
sarah@kandiyohi.com
(320) 905-0069

Anyone needing one-on-one assistance with completing an application should contact Sarah Swedburg at (320) 905-0069 or sarah@kandiyohi.com. Interpreters are also available upon request. Open office hours will be held at the Willmar Public Library on March 16, 2023 from 5-7pm for anyone that would like assistance filling out their application. **Applications are due by 5:00 p.m. on Friday, April 7, 2023.** Any unspent funds from this funding round will be a part of a second round. A second round of funding is dependent on interest in round one and is not guaranteed. If any language within these guidelines and application conflict with program guidelines of the Minnesota Main Street Economic Revitalization Program or State Statute, State Statute and State guidelines will prevail.

Step 1: Review Program Guidelines

The Minnesota Main Street Economic Revitalization Program offers grants within defined commercial areas for repair or renovation of commercial real properties. Grants can cover up to 30% of the project costs. Existing assets and state or federal funds may not be used to meet match requirements and all match must be secured before grant funds are distributed. Eligible uses include: building construction, landscaping and streetscaping, demolition and site preparation, architecture and engineering predesign and final design, infrastructure, accessibility improvements, and HVAC, plumbing and electrical improvements. Only project costs that meet the same eligibility requirements for grant funds can count towards match.

Minnesota Department of Employment and Economic Development has partnered with the Southwest Initiative Foundation (SWIF) on this program and Willmar has been allocated approximately \$744,000 for grant awards within the eligible commercial corridors. The eligible areas are:

The Willmar MSERP Corridor, generally defined as the commercial areas of downtown, 1st Street from Litchfield Avenue to Olena & Grace Avenues, Highway 12 from 11th Street SW to 17th Street SE, and Business Highway 71 from Civic Center Drive to the Presbyterian Family Foundation (see map on the last page of this application packet)

The maximum total grant amount is \$75,000.00 per business on projects with a total cost of \$250,000.00 or more. For projects with a total cost less than \$250,000.00, the grant will cover up to 30% of the total cost. This is a reimbursement program. Up to 50% of project funds expended after July 1, 2021 and before being awarded can, with acceptable documentation of prior expenditures, count towards the matching requirements of a leveraged grant.

The Grant Applicant will receive a Grant in the amount specified below pending Grant Applicant's compliance with (1) the MSERP Matching Grant Program Guidelines, (2) this Agreement, and (3) and available funding. Final determination rests with the MSERP Committee.

1. The Grant Applicant certifies that he/she is an owner of record of the property where the funds will be used to finance repairs and/or improvements; or if not the owner of record of the property, has obtained the Owner's written authorization to perform the repairs or improvements to be made. **The property owner certifies that all property taxes are paid and up-to-date and will remain so throughout the entire project, until grant funds are disbursed.**

2. Work performed at the Property shall be as stated in the contractor(s) bid(s) obtained by the Grant Applicant or the materials list submitted with (or a subsequent part of) the application for the Grant.
3. Any contractor(s) who performs work at the property must meet City of Willmar Zoning, Building, and Building Permit requirements.
4. If the Grant Applicant is performing any work, the Grant Application understands that upon completion (1) all work must meet City of Willmar zoning code, building permit, and building code requirements and (2) grant funds can **only** be used to compensate for materials, **not** for the purchase or rental of tools and equipment or the labor of the Grant Applicant, a relative, or someone with a financial interest in the business or property receiving the grant funds.
5. All improvements must be completed and reimbursement request documents provided to the Program Administrator (SWIF) **within twelve (12) months** of the Grant Approval Date. If more time is needed the grant applicant can request an extension. The Grant applicant is responsible for ensuring that the work has been completed satisfactorily before paying the contractor(s).
6. The Grant funds can be put into an escrow account and be used to pay for preorders of materials, or the Grant funds will be disbursed to the Grant Applicant by the SWIF or program representative based upon receipt and review of the **items (a) through (c)** below. The Grantee must submit the following items to the program representative upon completion of the work. **If more than one contractor is used**, there must be complete sets of the items listed below for each contract/contractor:
 - a. **Proof of final inspection** by the City of Willmar for work requiring a city permit (send a copy of the permit signed off by the City Building Official), for work NOT requiring a city permit, call the program representative at (320) 235-7370 to notify her the work is complete.
 - b. **Final invoice** from the contractor showing the total project cost.
 - c. **Proof of payment** paid to contractor in one of the following two forms. You should be totally satisfied with the work before paying.
 - i. A **lien waiver** – a statement issued by the contractor that advises the client that they, the contractor, (a) have been paid in full for the total project cost, (b) are satisfied with the compensation for the work they performed, and (c) waive their right to place any liens on the property for the work completed. (If there are significant material costs, we advise you obtain a lien waiver from the materials supplier, advising that the contractor paid them in full). **OR**
 - ii. A **cancelled check AND a signed receipt** – if you only paid the matching funds (private match) portion of the contract and the contractor will wait for the final payment. You will need a copy of the actual cancelled check(s), returned to you by the bank you used to pay the contractor. Both the front and back of the check must be copied and must be made payable to the contractor for a minimum of the 70% *match*. You will also need a properly executed receipt, signed by an authorized officer of the contracting firm that includes the contractor's name, address, telephone number, and notation that a minimum of the 70% *match* was paid in full.

Step 2: Complete Application Information

Building Address:				
Parcel ID Number:				
Building Owner Name:				
Mailing Address:		City:		Zip:
Business Phone: ()			Cell Phone: ()	
Email Address:				
Contact Name (if different than building owner):				
Legal name of the business, including assumed name if any:				
<input type="checkbox"/> Sole Proprietorship		<input type="checkbox"/> Partnership	<input type="checkbox"/> Corporation	<input type="checkbox"/> LLC <input type="checkbox"/> Nonprofit
Length of Time in Business:		Fed Tax Id#:		MN State ID:
Years	Months			

Amount of Funding Requested: \$ _____	Project Start Date:
	Project End Date:
For what purpose will these funds be used?	

Principal #1

Name:		Percentage of Ownership: _____ %
Address:	City:	Zip:

Principal #2

Name:		Percentage of Ownership: _____ %
Address:	City:	Zip:

Property Information

What year was this property built? (if unsure please provide best estimate)	What is the estimated market value of your property?
Number of businesses operating in your building:	Number of vacant commercial spaces in your building:
Names of businesses operating in your building:	

Job Creation and Retention

Do you own the business operating inside this building, if yes, please list current total employees:		
Full-Time Employees:	Part-Time Employees:	Temporary Employees:
Projected number of total employees after completion of project:		
Full-Time Employees:	Part-Time Employees:	Temporary Employees:
If you do not operate a business inside this building, please estimate the number of employees:		
Full-Time Employees:	Part-Time Employees:	Temporary Employees:

Rental Housing Information (skip this section if your building does not include rental housing units)

Number of rental housing units in building:		Number of units occupied:		
Number of rental units unsuitable for occupancy due to condition:		Number of new rental units that will be added with grant funding:		
Number of existing units by bedroom size:				
Efficiency:	1 Bedroom:	2 Bedroom:	3 Bedroom:	4 Bedroom:
Number of new units by bedroom size that will be added with grant funding:				
Efficiency:	1 Bedroom:	2 Bedroom:	3 Bedroom:	4 Bedroom:
List current or proposed rent by bedroom size for the rental units:				
Efficiency:	1 Bedroom:	2 Bedroom:	3 Bedroom:	4 Bedroom:

Project Sources and Uses

Please use the chart below to describe the project sources and uses. The request to the Main Street Program cannot exceed 30% of the total project costs. Attach letters of commitment.

Project Sources	
Owner Cash	\$
Bank Financing Lending Institution: Contact Name and Number:	\$
Main Street Program Grant	\$
Other: List Source and Contact Information	\$
TOTAL	\$
Project Uses	
Building Rehabilitation (list improvements)	\$
Building Construction (list details)	\$
Landscaping or Streetscape	\$
Demolition or site preparation	\$
Architectural Services (predesign and design)	\$
Engineering Services	\$
Infrastructure	\$
Related Site Amenities (please list)	\$
TOTAL	\$

Multiple Applications

If you are submitting multiple applications for different buildings, please prioritize your projects with #1 being the most important project. Please list the building addresses.

Priority Project #1: _____

Priority Project #2: _____

Priority Project #3: _____

Step 3: Attach Documentation of Matching Funds

Applicants should attach documentation of matching funds (bank letters, grant awards, letters of owner commitment, etc).

Step 4: Submit two (2) written bids for all work/project(s)

- ✓ If the total project cost is more than \$1,000, get two (2) written bids for all the work. Be sure that both bids are based on the same scope of work. For example, if your first bid is for tuckpointing, window replacement, and flashing, then the second bid must also be for tuckpointing, window replacement, and flashing. If a grant is approved, it will be based on the lower bid.
- ✓ If the total project cost is \$1,000 or less, you only need one bid.
- ✓ Verify that contractors are licensed, bonded, and insured.
- ✓ If qualified to do so, you may perform the work, but grant funds **cannot** be used to compensate you for the purchase or rental of tools or equipment, for your labor or the labor of family, friends, employees, or others with a financial interest in the business or property. Grant funds can be used to pay for materials if a contractor is not performing the work.
- ✓ Applicants are encouraged to solicit estimates from women and minority contractors.
- ✓ Summarize the bids in the box below.
- ✓ **Grant amounts are based on the lower bid; however, you are free to accept the higher bid.**

Brief Work Description		Contractor		Bid	Bonded & Insured?
1		1		\$	<input type="checkbox"/> Yes / <input type="checkbox"/> No
		2		\$	<input type="checkbox"/> Yes / <input type="checkbox"/> No
2		1		\$	<input type="checkbox"/> Yes / <input type="checkbox"/> No
		2		\$	<input type="checkbox"/> Yes / <input type="checkbox"/> No

Step 5 – Review, sign and date application

GRANT PROGRAM AUTHORIZATION FOR RELEASE OF INFORMATION AND CERTIFICATIONS

Applicant acknowledges that they are making an application for a grant and that the Southwest Initiative Foundation may rely on the Applicant's warranties and self-certification of eligibility in the approval process of a grant. The applicant acknowledges that representations made in this application will be relied on by the Southwest Initiative Foundation in its decision to award such a grant, and such information is true and complete to the best of my knowledge. The applicant will promptly notify the Southwest Initiative Foundation of any subsequent changes which would affect the accuracy of this information and the information provided on all accompanying documents. The applicant understands that it is a crime to make a false representation as to their or their company's financial ability for the purpose of securing a grant. The Applicant acknowledges that the submittal of false or inaccurate information will result in the repayment of grant funds. The Applicant also acknowledges they will comply with any requests from the Southwest Initiative Foundation to supply any necessary data or information that may be needed as part of the grant.

Applicant shall indemnify, defend, and hold harmless SWIF and its officers, directors, employees, agents, and MSERP program partners from and against any and all claims, damages, loss, injuries, liability, and expenses (including attorney's fees and damages for death, personal injury and property damage) as a result of any act or omission by

Applicant in connection with this application for funding, or from Applicant's breach of its obligations under any program documents, or from Applicant's or its employees' gross negligence or willful misconduct.

I hereby make an application to the Willmar Main Street Economic Revitalization Program. I acknowledge that this involves public dollars, and I certify that I am eligible, my application is true and accurate, and that I understand Minnesota Data Practices laws apply to this application and any grant agreement I may sign under it.

Signature/Title of Applicant: _____ Date: _____

Signature/Title of Applicant: _____ Date: _____

If the Grant Applicant is the property owner, go on to STEP 6. If the Grant Applicant IS NOT the property owner, the property owner must sign below.

SIGNATURE OF PROPERTY OWNER

Step 6 – Deliver the application to:

By postal mail, email or in person to the Kandiyohi County and City of Willmar Economic Development Commission
Attention: Sarah Swedburg, 222 20th Street SE, Willmar, MN 56201
sarah@kandiyohi.com

Step 7- Review of application by Program Administrator

A grant is not approved until this document is signed below on page six (6) by the Program Administrator.

TO BE COMPLETED BY THE PROGRAM ADMINISTRATOR

Date Application Received: _____

Grant Amount: _____ (herein referred to as "Grant")

Private Match: _____ (herein referred to as "Matching Funds")

Total Project Cost: _____ (Grant plus Matching Funds)

Grant Approval Date: _____

PROGRAM ADMINISTRATOR

By: Southwest Initiative Foundation (SWIF)

Step 8 – Once grant is approved, select contractor and begin work.

The Willmar Main Street Economic Revitalization Program is supported, in part, by the State of Minnesota through a grant from the Department of Employment and Economic Development.

DEED's Mission is to empower the growth of the Minnesota economy, for everyone.

If more applications are received than funds available, the following scoring criteria will be used:

1. Readiness to Proceed 20 points

Rating Factors:

- Does the applicant clearly outline their project?
- Has the applicant outlined clear project cost estimates?
- Is the project ready to proceed immediately upon grant award?
- Has the applicant secured all matching funds?

2. Cost Effectiveness and Project Feasibility 20 points

Rating Factors:

- Do the project costs appear to be reasonable based on the scope of work?
- Do the project costs appear to be reasonable based on value of building?

3. Exterior Maintenance and "Beautification" 10 points

Rating Factors:

- Do the proposed projects include exterior maintenance that has been deferred for some time?
- Do the proposed improvements positively impact the look and upkeep of the building?

4. Job Creation and Retention 10 points

Rating Factors:

- Will the project create or retain jobs?
- Does the building contain multiple businesses?
- Are the businesses located in the building critical to the local economy?

All commercial properties within the purple areas qualify to apply

