

# **Cty of Muskegon**

## **Small Retailer Assistance Program Guidelines**

### **Mission**

To assist in the creation of more small retail businesses and to aid existing small retail businesses negatively impacted by COVID-19.

### **Terms**

The Small Retailer Assistance Program will offer one of two incentives to assist in the creation of a new small retail business. These incentives include the **Rental Assistance Grant** and the **Retail Renovation Grant**. Both grants require a 50% match with a maximum grant of \$5,000.

Two additional incentives are being made available to existing small retail businesses negatively impacted by COVID-19. A **CV Assistance Grant** and a **CV Capital Grant** are being offered. Both grants require a 25% match with a maximum grant of \$5,000.

### **Rental Assistance Grant (new business)**

The Rental Assistant Grant is intended to help small retailers open new storefronts in traditional brick and mortar buildings. Grantees will be reimbursed 50% of their monthly rent, up to a total of \$5,000.

Eligibility – To be eligible, the business must:

- Employ no more than five people.
- Offer retail goods for sale. Restaurants and service industries are excluded, unless at least 50% of sales are generated from retail merchandise (excluding prepared food).
- Have an executed rental agreement and agree to pay no more than \$12/sf.
- Prove the need for financial assistance.
- Be new to the City of Muskegon. The owner may not operate other businesses within the city limits. However, existing micro-retailers with under 300 sf of space will be eligible for assistance when they move to their own space with their own street frontage.
- Locate in a retail suite that is visible from the street. Grants are not eligible for businesses locating in an incubator / Co-op.

Review Criteria – All applications are reviewed on a competitive basis and not every proposal will be approved. The review process will take place once all the required documentation and supporting evidence is submitted. Incomplete applications will not be considered. The following criteria will be used:

- Economic Impact – The applicant will demonstrate how this business will provide consumers

with a needed brick and mortar retail option.

- Business Operations Impact – Explain how the grant will impact business operations and also how the business will adapt once the grant expires.
- Financial Evidence – The applicant will submit evidence for the need of financial assistance, such as a Profit/Loss Statement or tax return

### Process

1. The business owner must submit an application to the City of Muskegon Planning Department. Applications may be submitted at any time and grants will be approved on a competitive basis.
2. Approved applicants will enter into a grant agreement with the City.
3. The business will be reimbursed monthly (up to 50% of rent) upon providing receipt of paid rent.

### **Retail Renovation Grant (new or existing business)**

The Retail Renovation Grant is intended to assist in the creation of more rentable retail spaces for small businesses. Grantees will be reimbursed 50% (up to \$5,000) of the renovation costs associated with upgrading a defunct space into a usable retail suite.

Eligibility – To be eligible, the applicant must:

- Renovate a building to provide rental space for small retailers.
- Provide a retail storefront that is visible from the street.
- Offer the retail space for rent for no more than \$12/sf.

Review Criteria – All applications are reviewed on a competitive basis and not every proposal will be approved. The review process will take place once all the required documentation and supporting evidence is submitted. Incomplete applications will not be considered. The following criteria will be used:

- Project Description – The applicant will describe the extent of the renovations and provide a description of the finished space.
- Economic Impact – The applicant will demonstrate how this renovation will provide a small retailer an affordable rental option.
- Estimates – The applicant must provide estimates for the renovation work.

### Process

1. The building or business owner must submit an application to the City of Muskegon Planning

Department.

2. Approved applicants will enter into a grant agreement with the City.
3. The applicant will hire a licensed contractor to perform the renovations stated in the application.
4. The applicant will be reimbursed the grant money (up to 50% of renovation costs) upon providing receipt of payment of the renovation and proof of finalized building permits.

### **CV Assistance Grant (existing business)**

The CV Assistant Grant is intended to help existing small retailers continue operations in storefronts located in traditional brick and mortar buildings. Grantees will be reimbursed 75% of their business operating losses, up to a total of \$5,000.

Eligibility – To be eligible, the business must:

- Retailers or restaurants who are independent and locally-owned
- Prove the need for financial assistance.
- Be located in a traditional brick and mortar building that is visible from the street. Grants are not eligible for businesses locating in an incubator / Co-op.
- Be an existing small business within the City of Muskegon negatively impacted by COVID-19.

Review Criteria – All applications are reviewed on a competitive basis and not every proposal will be approved. The review process will take place once all the required documentation and supporting evidence is submitted. Incomplete applications will not be considered. The following criteria will be used:

- Economic Impact – The applicant will demonstrate how this business will provide consumers with a needed brick and mortar retail option.
- Business Operations Impact – The applicant must show how the grant will impact business operations and also how the business will adapt once the grant expires.
- Financial Evidence – The applicant will submit evidence for the need of financial assistance, such as a Profit/Loss Statement or tax return
- COVID-19 Impact – The owner must demonstrate significant business loss associated with health impacts from COVID-19 or resulting from executive orders reducing capacity or hours of operation, such as a Profit/Loss Statement or tax return.

Process

1. The business owner must submit an application to the City of Muskegon Planning Department. Applications may be submitted at any time and grants will be approved on a competitive basis.
2. Approved applicants will enter into a grant agreement with the City.
3. The business will be reimbursed 75% of business operating losses, up to a total \$5,000, upon providing evidence of business operating losses.

### **CV Capital Grant (existing business)**

The CV Capital Grant is intended to help existing small retailers continue operations in storefronts located in traditional brick and mortar buildings. Grantees will be reimbursed 75% of their expenses up to a total of \$5,000 for renovations associated with modifying their storefronts in response to new distancing guidelines and reduced capacity due to COVID-19.

Eligibility – To be eligible, the business must:

- Employ no more than five people.
- Offer retail goods for sale. Restaurants and service industries are excluded, unless at least 50% of sales are generated from retail merchandise (excluding prepared food).
- Operate a retail storefront that is visible from the street. Grants are not eligible for businesses located in an incubator / Co-op.
- Prove the need for financial assistance.
- Be an existing small business within the City of Muskegon negatively impacted by COVID-19.

Review Criteria – All applications are reviewed on a competitive basis and not every proposal will be approved. The review process will take place once all the required documentation and supporting evidence is submitted. Incomplete applications will not be considered. The following criteria will be used:

- Project Description – The applicant will describe the extent of the renovations and provide a description of how the revised finished space meets new COVID related guidelines.
- Estimates – The applicant must provide estimates for the renovation work.
- Financial Evidence – The applicant will submit evidence for the need of financial assistance, such as a Profit/Loss Statement or tax return.

### Process

1. The business owner must submit an application to the City of Muskegon Planning Department. Applications may be submitted at any time and grants will be approved on a competitive basis.
2. Approved applicants will enter into a grant agreement with the City.

3. The applicant will hire a licensed contractor to perform the renovations stated in the application.
4. The applicant will be reimbursed the grant money (up to 75% of renovation costs) upon providing receipt of payment of the renovation and proof of finalized building permits.