**Minnesota Main Street Economic Revitalization Program (MSERP)**

**Litchfield Guidelines and Application**

**Contacts**

Program Administrator Program Representative

Southwest Initiative Foundation, Scott Marquardt Meeker County EDA, Lisa Graphenteen

scottm@swifoundation.org lisa@dsi-services.com

(320) 583-4629 (507) 227-5402

Anyone needing one-on-one assistance with completing an application should contact Lisa Graphenteen at (507) 227-5402 or lisa@dsi-services.com. Interpreters are also available upon request. Applications are due by 5:00 p.m. on July 8, 2022. Any unspent funds from this funding round will be available for future funding requests. 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. 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.

Minnesota Department of Employment and Economic Development has partnered with the Southwest Initiative Foundation (SWIF) on this program and Litchfield has been allocated $750,000 for grant awards within the eligible commercial corridors. The eligible areas are:

The Litchfield Commercial Historic Downtown District, generally defined as the 100-, 200-, and south half of the west side of the 300-block of North Sibley Avenue, plus Second Street approximately from alley to alley, including the officially designated parcels adjacent to.  The District also includes 19 and 21 East Depot Street.

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. Project expenses dated May 1, 2022 or later can count as project match.

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 Litchfield Zoning, historic design guidelines, 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 Litchfield zoning code, historic design guidelines, 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:
	1. **Proof of final inspection** by the City of Litchfield 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 (507) 227-5402 to notify her the work is complete.
	2. **Final invoice** from the contractor showing the total project cost.
	3. **Proof of payment** paid to contractor in one of the following two forms. You should be totally satisfied with the work before paying.
		1. 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**
		2. 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: |  |  |  |
| [ ]  Sole Proprietorship | [ ]  Partnership | [ ]  Corporation | [ ]  LLC | [ ]  Nonprofit |
| Length of Time in Business: Years Months | Fed Tax Id#: | MN State ID: |

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

Principal #1

|  |  |  |
| --- | --- | --- |
| Name: | DOB: | SS#: |
| Address: | City: | Zip: |
| Percentage of Ownership: \_\_\_\_\_\_\_\_\_\_% |  |

Principal #2

|  |  |  |
| --- | --- | --- |
| Name: | DOB: | SS#: |
| Address: | City: | Zip: |
| Percentage of Ownership: \_\_\_\_\_\_\_\_\_\_% |  |

**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 Timelines**

|  |  |
| --- | --- |
| Approximate date work will begin: |  |
| Approximate date work will be complete: |  |

**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: | $ |
| City of Litchfield | $ |
| Main Street Program Grant | $ |
| Other: List Source | $ |
| **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.**



**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 Litchfield 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 Meeker County Economic Development Authority

422 South Johnson Drive, Litchfield, MN 55355

Attention: Lisa Graphenteen

 lisa@dsi-services.com

**Step 7- Review of application by Program Administrator**

***A grant is not approved until this document is signed on page seven (7) 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.**

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?
1. Cost Effectiveness and Project Feasibility 20 points
* 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?
1. Job Creation and Retention 20 points
* 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?
1. Creation or Retention of Housing 10 points
* Does the building include current rental housing or new rental housing units?
* Do the proposed improvements positively impact housing in downtown Litchfield?
* Does the project produce new rental units affordable to the local workforce?