



PROGRAM GUIDELINES

Table of Contents

1. Executive Summary
2. Program overview
 - a. Application Process
 - b. Award Details
 - c. Description of tracks
3. Eligibility Criteria
4. Selection Process
5. "Match Your Cash" Grant and Loan Award Details
6. Building Owner Participation
7. Additional Information

Motor City Match Program Guidelines

1. EXECUTIVE SUMMARY

Detroit's Business Challenge

Since 2015, Motor City Match has served over 1,300 aspiring entrepreneurs in Detroit, helping to start, grow, and expand 100's of businesses. The program's focus remains on empowering Detroiters to use entrepreneurship as a tool for increasing their incomes and growing their wealth. Motor City Match recognizes that every business faces challenges unique to its vision, goals, and business model. To address these challenges, Motor City Match has created a new framework for assessing business readiness and identifying appropriate support for formalizing, launching, designing, and funding projects.

Our Goal

The goal of Motor City Match is to help start new, permanent businesses and expand existing businesses in Detroit's commercial corridors by providing tailored assistance throughout the launch and growth process.

Motor City Match tackles the city's entrepreneurship challenges by matching Detroit businesses with the right support services, funding options, and available real estate. The program offers one-on-one consultations, subject specific workshops, technical assistance, access to professional services, site selection assistance, competitive grants, and loan counseling.

Winning entrepreneurs looking to start or expand their business in Detroit must locate within the City of Detroit for at least 2 years, provide verification of new jobs created or existing jobs retained, and demonstrate a benefit to the community.

2. PROGRAM OVERVIEW

A. Application Process

When to Apply

Motor City Match has been operating quarterly since June 2015. Awards will continue to be announced on a quarterly basis. Business and building owners have four opportunities each year to compete for technical assistance and financial assistance. The following dates provide the general schedule. Specific dates for each round will be posted in the application and on the Motor City Match Website. Application periods may be delayed or extended at the discretion of program staff.

Application Open and Close	Award Selection	Awards Notified
December 1 – January 1	January 1 – March 31	March 31
March 1 – April 1	April 1 – June 30	June 30
June 1 – July 1	July 1 – September 30	September 30
September 1 – October 1	October 1 – December 31	December 31

Winners shall be selected within 60 days of the closing of any application period. All applicants not selected for an award who would like to participate in subsequent rounds must re-apply each round for that award track.

Motor City Match Program Guidelines

Where to Apply

Apply online at www.motorcitymatch.com or pick up a paper application at the Detroit Economic Growth Corporation, 500 Griswold Suite 2200, Detroit MI 48226.

Application Assistance

Information sessions will be held periodically and will occur at least once per application period. The schedule of events will be posted at www.motorcitymatch.com.

Application Confirmation

If applying online, applicants will receive an automatic confirmation email after submitting. If applying by mail or in person, applicants will receive a confirmation email once applications are processed. It may take several days to process applications. Please note that an email address is **required** to receive confirmation that an application has been received.

B. Award Details

Motor City Match offers competitive application tracks for two categories of businesses:

1. **Microenterprises** – businesses with 5 or fewer employees (including the owner)
2. **Small Businesses** – businesses with greater than 5 employees (including the owner)

Two Types of Awards:

Motor City applicants compete for two types of awards: **Technical Assistance Awards** and **Financial Assistance Awards**. Sources of funding for different award types have specific policies that guide the selection of Motor City Match awardees. Technical Assistance Awards, the Plan, Develop, and Design Tracks are funded with funding from the U.S. Department of Housing and Urban Development (HUD) Community Development Block Grant (CDBG) dollars. Financial Assistance Awards, the Cash Track, are funded with funds from the City of Detroit and private philanthropic sources.

1. Technical Assistance Awards

Motor City Match technical assistance awards provide eligible awardees with technical assistance in the form of business services, access to classes and workshops, and one-on-one consultation including, but not limited to, business planning, financial management and design assistance. The cash value of Technical Assistance awards for each track will vary based on the unique needs of awardees. Technical Assistance will be approved at the discretion of Motor City Match Staff based on completion of program milestones and compliance with HUD CDBG guidelines. Awardees will only receive Technical Assistance that can be demonstrated to aid in achieving the business goals laid out in their application. **The value of all Technical Assistance awards for any one business will not exceed \$50,000 in any one award year. Technical Assistance awardees are not automatically entitled to the maximum amount of Technical Assistance funding.** Technical assistance awards included the following award tracks:

- Plan
- Develop
- Design

Technical assistance awards are funded by the U.S. Department of Housing and Urban Development (HUD) Community Development Block Grant (“CDBG”) Program and funding from the City of Detroit.

Please note that while each of the services offered through technical assistance awards has a value, there is no money exchanged between Motor City Match and the awardees for technical assistance services. Technical assistance may constitute taxable income to awardees.

Motor City Match Program Guidelines

2. Financial Assistance Awards – Cash Grants

Competitive grants are funded by the City of Detroit general fund and private philanthropic sources. **Motor City Match grants will not exceed \$100,000.** Motor City Match will issue monetary grants to qualified awardees based on their eligibility criteria and program requirements. Matching grants can be used for the following eligible expenses:

- Business and professional services
- Design services and drawings
- Exterior and interior building renovations
- Permanent and mobile equipment
- Code compliance
- Working capital
- Inventory

Grants are available for businesses that can't get any or all the financing they need to get open.

Grants are not a substitute for readily available financing and a minimum of 10% owner equity is mandatory for consideration. Grant disbursement is subject to satisfaction of program milestones.

C. Description of Award Tracks

Applicants will compete for financial and technical assistance. There are four tracks available: Plan, Develop, Design, and Cash.

1. **Plan** – one-on-one consulting, classes and workshops, and access to technical assistance **for up to 15 entrepreneurs** seeking to refine, formalize, and launch a business idea
2. **Develop** – one-on-one consulting, classes and workshops, access to technical assistance and professional services **for up to 25 businesses** seeking to develop their idea, create a plan for growth, and choose an appropriate location for their next phase of development
3. **Design** – one-on-one consulting, classes and workshops, access to technical assistance and professional services **for up to 10 businesses** that have secured a location, settled on an appropriate growth plan, and need to create a design and program specific to that location
4. **Cash** – **Up to \$500,000 in grants and loans for up to 15 projects** that have secured a location, settled on an appropriate growth plan, and created a design and program specific to that location. The maximum grant award is \$100,000 per project. Businesses must have money ready to invest, whether it's their own equity, financing, or both. Loans are facilitated through Motor City Match lending partners.

Technical Assistance Awards

1. **Plan Award.** *Business idea that needs formalizing and refining before launching:*

- Up to 15 winners may be selected
- Applicants may be interviewed
- Applicants may be asked to provide basic financial information to provide early indication of financial feasibility.
- Award selection is subject to approval by the EDC Board of Directors.
- Technical Assistance associated with this award expires 1 year after the date of approval by the EDC Board of Directors

2. **Develop Award.** *A transactional business seeking assistance developing and choosing the right strategy and space for growth:*

- Up to 25 winners may be selected.
- Applicants may be interviewed.

Motor City Match Program Guidelines

- Applicants may be asked to provide basic financial information to provide early indication of financial feasibility.
- Applicants may be asked to provide documentation of revenue and business activity
- Award selection is subject to approval by the EDC Board of Directors.
- Technical Assistance associated with this award expires 1 year after the date of approval by the EDC Board of Directors

3. Design Award. *Business owners with a great idea and a great business plan that secured a space but don't have a plan for tenant improvements:*

- Up to 15 finalists may be selected by Motor City Match staff.
- From the 15 finalists, up to 10 winners may be selected by Motor City Match staff.
- Finalists may be interviewed.
- Finalist applications will be required to provide the following information:
 - Written business plan
 - Lease or letter of intent
 - Any bids or cost estimates received from trade contractors as the basis for determining build-out needs and progress; and
 - Financial information to determine feasibility.
- Winners will be selected based on business application scores and supplemental information received.
- Award selection is subject to approval by the EDC Board of Directors.
 - Winners will be selected based on application scores and review of supplemental materials.
- Technical Assistance associated with this award expires 1 year after the date of approval by the EDC Board of Directors

Financial Assistance Awards

4. Cash Award. *Business owners with a great idea, a great business plan, a space secured and a plan for renovation or build-out. Businesses must have money ready to invest, whether it's their own equity, financing, or both. They must have a budget for business start-up and/or build-out and know the gap in funding they need to raise to make their project a reality.*

- Up to 40 finalists will be selected by Motor City Match staff.
- From the 40 finalists, up to 15 winners will be selected by a selection committee made up of industry experts, Detroit business owners and lenders.
- Finalists will be interviewed, including discussions with a panel of lenders for consideration for financing if needed.
- Finalists will be required to submit a supplemental application asking for the following information:
 - Written business plan
 - Lease or letter of intent
 - Cost estimates received from trade contractors
 - Financial information; and
 - Loan application and/or proof of funding.
- Winners will be selected based on business application scores and supplemental information received.
- A minimum of 10% project equity is mandatory for consideration.
- Award selection is subject to approval by the EDC Board of Directors
- Financial Assistance associated with this award must be accessed through an initial grant disbursement within 1 year of the date of approval by the EDC Board of Directors

Motor City Match Program Guidelines

	Plan	Develop	Design	Cash
Who is eligible:	<ul style="list-style-type: none"> Micro-enterprises and small business with no permanent location owned by Detroit residents Micro-enterprises and small business with a brick & mortar location in Detroit 		<ul style="list-style-type: none"> Micro-enterprises and small business with a brick & mortar location in Detroit 	
Award Type:	Technical Assistance Awards			Financial Award
What do you need to qualify:	<ul style="list-style-type: none"> A business idea that needs formalizing and refining before launching 	<ul style="list-style-type: none"> A business that is transactional needs assistances developing and growing into its next phase 	<ul style="list-style-type: none"> A brick and mortar location if appropriate for your business model. A space secured with a deed, signed lease or signed letter of intent A budget for business startup and building improvements. An understanding of your branding and business identity 	<ul style="list-style-type: none"> A building secured with a deed, signed lease or signed letter of intent that is current on taxes, water and blight tickets Architectural drawings for tenant improvements Quotes for construction, equipment, furnishings or inventory A clear understanding of total project or start-up costs Funds ready to invest
Program goals for awardees:	<ul style="list-style-type: none"> Refined business plan with sales projections and a realistic revenue model An understanding of target customers and your market Completed necessary administrative documents to become transactional 	<ul style="list-style-type: none"> A growth plan appropriate to the business's model Determination of the appropriate location model (virtual, mobile, coworking, brick & mortar, etc.) A budget for business startup or space improvements in appropriate location Completion of technical assistance or services for growth 	<ul style="list-style-type: none"> A completed design specific to the selected location Signed and sealed construction documents ready for permitting and construction Contractor quotes for all construction work, fixtures, equipment & furnishings opening and first six months of operation Financing secured or under consideration with a lender 	<ul style="list-style-type: none"> Grant funds fully disbursed Loans approved, closed, and funds in disbursement Completed construction, renovation, or expansion project Fully licensed and properly permitted new, renovated or expanded business Business open in the manner described in application
Awardees get access to:	<ul style="list-style-type: none"> One-on-one consulting Classes & Workshops Technical Assistance 	<ul style="list-style-type: none"> One-on-one consulting Classes & Workshops Technical Assistance Professional Services 	<ul style="list-style-type: none"> One-on-one consulting Classes & Workshops Technical Assistance Professional Services Design Services 	<ul style="list-style-type: none"> One-on-one consulting Classes & Workshops Technical Assistance Professional Services Design Services Grant Funding

2. ELIGIBILITY CRITERIA

Multiple Ways to Win

Motor City Match is designed to move a business owner from Idea to Open. Award tracks are funded by either federal funds, or by donations or loans made by foundations and lenders. Winners may progress through the program by reapplying for higher award levels in subsequent rounds if it is determined that they have complied with all terms and conditions of previous awards. Successful completion and approval to advance are solely at the discretion of Motor City Match staff.

Participants in the Motor City Match program can win multiple awards as they progress through the business development process:

- Motor City Match awards are provided on a competitive basis due to limited resources.
- Businesses are selected based on five criteria by Program staff and when applicable a selection committee.
- Businesses can compete to receive every award that Motor City Match offers.
- Awardees can apply to compete for higher award levels after receipt and successful completion of lower-level awards or satisfaction of entry requirements for that award level.
- Receipt and completion of an award does not guarantee selection for a higher award level.
- Completion of technical assistance awards does not guarantee selection for financial assistance awards, nor is it a pre-requisite for applying for financial assistance awards.

Motor City Match Program Guidelines

- All projects awarded a technical assistance award must adhere to CDBG regulations by meeting a CDBG national objective.

Who can apply?

The following section provides minimum requirements that businesses must meet to participate in Motor City Match. Applicants that do not meet the eligibility criteria will not be considered for Motor City Match services and awards.

Microenterprises (businesses with 5 or fewer employees, including the owner) and Small Businesses (business with more than 5 employees, including the owner) are eligible to apply if they are structured as one of the following business types:

- For-profit Sole Proprietorships, General Partnerships, Limited Partnerships (LP), Limited Liability Partnerships (LLP), Corporations (Inc., Corp.), Limited Liability Companies (LLC), Low-profit Limited Liability Company (LC3)
- Faith-based organizations, subject to 24 CFR § 570.200(j), participating in for-profit commercial activity
- Independently owned businesses that participate in retailers' cooperatives are eligible to apply; however, franchises are not eligible.
- Not-for-profit organizations that own real estate may apply as building owners to complete the activation of a space for use by an eligible for-profit entity.
- Not-for-profit organizations are ineligible to apply as businesses.

And fall under one of the following descriptions

- A new business that is not yet transactional owned by a Detroit resident if that business plans to operate permanently in the city of Detroit
- An existing home-based, web-based, mobile, pop-up, or other business type that does not operate from a permanent location if owned by a Detroit resident and that business plans to operate permanently in the city of Detroit
- A new business whose owner resides outside the city of Detroit if the business has secured a commercial location in the city of Detroit with a letter of intent, lease, deed, land contract or similar legal agreement
- An existing business operating from a commercial location in the city of Detroit seeking assistance locating a new location in the city of Detroit
- An existing business with a commercial location in the city of Detroit planning expansion to an additional location in the city of Detroit
- The owner of a commercial property in the city of Detroit secured by a deed, land contract or similar legal agreement seeking commercial tenants or development assistance

Businesses being considered for awards must agree to the following:

- Businesses must locate within the City of Detroit for at least 2 years following the award.
- Compliance with relevant technical assistance and financial assistance award requirements.
- Willingness to coordinate with financing professionals to assist in the underwriting and financing of the project.
- Personal financial statements, tax returns, and other financial documents may be requested for consideration of technical assistance awards and are required for consideration for grants and loans.

Business Location

For eligibility and evaluation purposes, businesses will also be considered based on their location status at the time of application submittal.

1. Businesses with No Permanent Location – this includes new businesses, home-based, web-based, mobile, pop-up businesses and building owners that have not secured a tenant seeking

Motor City Match Program Guidelines

support services for launching, expanding, or permanently locating in Detroit; these businesses are eligible to apply for the Plan and Develop Tracks

2. Brick & Mortar Businesses – this includes businesses located in a commercial space and building owners that have secured a tenant seeking support services or funding for launching or expanding in a permanent location in Detroit; these businesses are eligible to apply for the Plan, Space, Design, and Cash Tracks

Additional Eligibility Information

Conflicts of Interest Federal grant rules require that both the EDC and recipients of Motor City Match awards be free of any actual, potential or perceived conflicts of interest in the making of Motor City Match awards. Federal grant rules further require that Motor City Match awardees establish conflict of interest policies that comply with federal grant rules. See 2 CFR Part 200 and 24 CFR § 570.611 for more information.

Consistent with 2 CFR § 570.611, the general rule is that no employee, agent, consultant, officer, board member, or elected official or appointed official of the EDC, the DEGC or the City of Detroit, or of a Motor City Match contractor or lending partner who are in a position to participate in a decision-making process or gain inside information with regard to the Motor City Match program, may obtain a financial interest or benefit from the Motor City Match program, or have a financial interest in any contract, subcontract, or agreement with respect to the Motor City Match program, either for themselves or those with whom they have business or immediate family ties.

EDC's conflict of interest policies require that Motor City Match applicants disclose as part of their applications whether the applicant, the applicant's immediate family members or any person with whom the applicant has business ties is employee, agent, consultant, officer, board member, or elected official or appointed official of the EDC, the DEGC or the City of Detroit, or of a Motor City Match contractor or lending partner. Upon receipt of an applicant's disclosure, the EDC will determine whether a conflict of interest exists and if the conflict can be mitigated and/or granted an exemption in accordance with EDC policies and federal regulations. ***NOTE: Failure to disclose an actual, potential or perceived conflict of interest may result in the rejection of a Motor City Match application, termination of a Motor City Match award, and/or the required repayment of any disbursed award funds, whether disbursed directly to the applicant or to a service provider on behalf of the applicant.***

Please note the following:

- (1) Eligible business and property owners may designate a contact person to apply on their behalf;
- (2) Business owners that own vacant real estate for their future business location may apply as either a Building Owner or Business Owner
- (3) Businesses are limited to one application track per round. If a business owner submits multiple applications for the same business, (for different award tracks) only one application will be considered for an award.
- (4) A business or building awarded for Technical Assistance award after September 1, 2021 may not apply again nor be awarded for that same award track.
- (5) A business or building awarded for a Technical Assistance award track before September 1, 2021 may apply and be re-awarded for that track after September 1, 2021.
- (6) Businesses are limited to applying to the program for one business or business idea per round
- (7) Businesses expanding in place are not eligible to apply for Financial Assistance Awards.

4. SELECTION PROCESS

Scoring Criteria

Businesses will be scored based on five criteria. Each criterion is worth 20 points. Applicants can earn up to 100 points-

Motor City Match Program Guidelines

1. **Vision and plan** for the business based on the soundness, completeness and creativity of the concept.
2. **Experience and capacity** of the business owners and key members of the business team.
3. **Market opportunity** to meet economic demand and advance business district revitalization.
4. **Community support** for new business including benefit to low to moderate income communities.
5. **Leverage** of business owner investment and other community investment initiatives in the area.

Business Selection Process: Eligibility and pre-screening

- All applications that do not meet the eligibility requirements shall be considered non-responsive and discarded.
- All applicants shall self-select the award track to which they wish to apply, based on the requirements listed in the program guidelines.
- Motor City Match staff will review applications within each track, rank applications and select finalists for review when applicable. The finalist selection process is estimated to take approximately 30 days.
- If applicable, Motor City Match will notify all finalists in writing via email. Finalists may be asked to submit additional information for final consideration.
- Finalists will have a limited amount of time to turn in the required additional information.
- When applicable, program staff and a selection committee will use this information, along with the original application, to recommend awardees.

Determining Project Viability & Feasibility

Motor City Match will provide two types of awards to Detroit businesses – Technical Assistance Awards and Financial Assistance Awards. Only Technical Assistance Awards are funded with HUD CDBG dollars and must satisfy HUD criteria for economic development underwriting. Underwriting criteria for establishing the viability and feasibility of Financial Assistance Awards are described separately.

Technical Assistance Awards:

Applications will be evaluated using five scoring criteria – vision and plan, experience and capacity, market opportunity, community support, and leverage. Awardees will be the applicants whose projects' high application scores indicate that they are relatively more viable and feasible than the applicant pool.

Additionally, Technical Assistance Awards must satisfy **HUD's Six Objectives for Economic Development Underwriting**:

- i. Describe the method for determining that all costs are reasonable;
- ii. Ensure that all sources of project financing are committed;
- iii. That to the extent practicable, CDBG funds are not substituted for non-Federal financial support;
- iv. Describe the method that determines if the project is financially feasible;
- v. That to the extent practicable, CDBG funds are disbursed on a pro-rata basis with other finances provided to the project.
- vi. To the extent practicable, the return of the owner's equity investment will not be unreasonably high

CDBG funding is used exclusively on Technical Assistance Awards – the Plan, Develop, and Design Tracks. Methods for satisfying the HUD economic development underwriting objectives are listed in the below table.

Motor City Match Program Guidelines

Underwriting Objective	Method for Satisfying Objectives
i. Describe the method for determining that all costs are reasonable	<ul style="list-style-type: none"> Project budget is reviewed and scored in application Technical Assistance services provided at rates determined by multiple provider submissions and published market rates
ii. Ensure that all sources of project financing are committed	<ul style="list-style-type: none"> For TA services, the scope of the project is generally under \$10,000 and the Technical Assistance Award is the sole source of funding for the project
iii. That to the extent practicable, CDBG funds are not substituted for non-Federal financial support	<ul style="list-style-type: none"> If owner is LMI that is a sufficient demonstration that non-Federal support is not available For non-LMI owned projects, MCM staff will review for referral to outside lenders
iv. Describe the method that determines if the project is financially feasible	<ul style="list-style-type: none"> Project must demonstrate in the application it can be successful in the near and long term TA Request Form is reviewed by staff to ensure it aligns with project goals
To the extent practicable, the return of the owner's equity investment will not be unreasonably high;	<ul style="list-style-type: none"> For TA services, the scope of the project is generally under \$10,000, the owner's overall long-term investment will be greater than the cost of the award provided
v. That to the extent practicable, CDBG funds are disbursed on a pro-rata basis with other finances provided to the project.	<ul style="list-style-type: none"> TA services will be funded solely with Technical Assistance Award funding

Once awarded, Motor City Match staff will work with awardees to further refine their projects by setting achievable goals with actionable steps. Staff does this indirectly – through subject specific workshops that provide information and explain processes – and directly through one-on-one consultations. All Technical Assistance Requests will be scrutinized to confirm services are in line with project goals before any Technical Assistance funds will disbursed. A summary table of strategies for ensuring project viability and feasibility is below.

Stage	Underwriting Checkpoint	Method of Determining Project Feasibility
Pre-Award	Application	<ul style="list-style-type: none"> Scored based on 5 criteria - vision and plan, experience and capacity, market opportunity, community support, and leverage
	Supplemental Application	<ul style="list-style-type: none"> Requires verification of lease, tax returns, P&L statements, and other financial documents Establishes project budget verified with bids, quotes, and drawings
Post-Award	Plan of Work	<ul style="list-style-type: none"> Requires awardee to verify completion of essential business plan components Provides framework to create a plan to meet outstanding goals
	Technical Assistance Request Form	<ul style="list-style-type: none"> Ensures services provided are in line with goals for project completion Requires commitment to job creation and/or retention
	Technical Assistance Review Form	<ul style="list-style-type: none"> Verifies that service provided progresses awardee towards project completion before any funds are expended

Financial Assistance Awards

Grants are available for businesses that are not able to secure all of the financing needed to complete their project and open their business. Grants are not a substitute for readily available financing or equity investment. Grants are used to fill the gap on projects. The financial gap is determined based on the total project cost, less the debt that the project is projected to sustain and the owner's equity investment. As a condition to the grant award, each project will be required to complete a "project financial plan" in

Motor City Match Program Guidelines

collaboration with Motor City Match staff or technical assistance providers. The project financial plan will identify:

- All project costs and the corresponding sources and uses of funding on a line-item basis, including costs that will be paid for in-part or whole by Motor City Match grant funds.
- Who is responsible (either the property owner or the business owner) for costs.
- Ownership of eligible costs. In other words, if Motor City Match grant funds are used to purchase equipment, the project financial plan will determine if the equipment belongs to the property owner or the business in compliance with applicable laws.

Business and building owners being considered for financial awards must agree to provide the following:

1. Business plan (new business) or growth plan (existing businesses, looking to expand to an additional location)
2. Executed letter of intent or lease, or a copy of a recorded deed
3. Development plan including construction, renovation, or upgrade cost estimates and bids from contractors
4. Business financial information:
 - Interim balance sheet and income statement
 - Three years calendar/fiscal year-end balance sheets and income statements
 - Current accounts receivable aging
 - Current accounts payable aging
 - Three months bank statements for main operating account
 - Business organizing documents (articles of incorporation/formation, operating agreement, etc)
5. Personal financial information:
 - Signed and dated personal financial statement
 - Three years personal federal tax returns

Additional financial information may be requested by program staff to verify application information. A summary table of strategies for ensuring viability and feasibility of Microenterprises and Small Businesses Awarded a Cash Grant is presented below:

Program Stage	Underwriting Checkpoint	Method of Determining Project Feasibility
Pre-Award	Application	<ul style="list-style-type: none">• Scored based on 5 criteria - vision and plan, experience and capacity, market opportunity, community support, and leverage
	Supplemental Application	<ul style="list-style-type: none">• Requires verification of lease, tax returns, P&L statements, and other financial documents• Establishes project budget verified with bids, quotes, and drawings
	Lender Networking Event	<ul style="list-style-type: none">• Requires interviews with multiple lenders• Provides feedback on necessary documents• Offers feasibility assessment from outside industry professionals
	Selection & Lending Committee Meeting	<ul style="list-style-type: none">• Verification of equity secured and equity needed for loan approval• Determination of accessible loan amounts by lending committee
Post-Award	Project Financial Plan	<ul style="list-style-type: none">• Ensures services provided are in line with goals for project completion<ul style="list-style-type: none">• Sets timeline and order of investment for all funding sources
	Check Request Review	<ul style="list-style-type: none">• Verification of loan closing and equity investment required before check requests are accepted• Individual requests are reviewed for alignment with Project Financial Plan

A minimum of 10% project equity is required as a baseline for consideration for grant awards and loan financing. These grants are designed to increase the business owner or building owner equity investment to help strengthen the case for financing or close the gap on the project when financing cannot be obtained.

Motor City Match Program Guidelines

Equity will be verified by providing proof of assets or previous investment in a supplemental application submission.

5. “CASH” FINANCIAL ASSISTANCE AWARD DETAILS

Completion of previous Technical Assistance awards does not qualify a project for consideration for Motor City Match grant funding and loans from one or more of the Motor City Match lending partners. Selection as a previous Financial Assistance (Cash Grant) awardee does not qualify a project for consideration for Motor City Match grant funding and loans from one or more of the Motor City Match lending partners. All Motor City Match grant funding will be awarded based on the evaluation of a current application for Financial Assistance awards.

All applications will be considered for grants and loans, however not all applications will receive grant funding or financing. Grant making is contingent on review and selection by Motor City Match staff and a selection committee. Lending is contingent on the underwriting guidelines of each lending partner. Up to \$500,000 in grants will be made available to building and business owners each round. Additionally, at least \$1 million in small business and construction loans are anticipated each round.

Loan Financing

Motor City Match applicants will have the opportunity to apply for financing to a group of lending partners. To simplify the process, applicants will fill out one application that will be reviewed by all lending partners all at the same time. This allows the applicant to save time while getting the best rates and terms possible. Motor City Match lending partners include but are not limited to:

- Invest Detroit
- Detroit Development Fund
- Michigan Women Forward
- ProsperUs Detroit
- CEED Michigan
- LISC Detroit

All Motor City Match grant awardees and finalists will be reviewed for consideration for financing from Motor City Match lending partners. In the event that Motor City Match lenders can't provide some or all the financing needed, those businesses will be considered for grants to fill the gap.

All finalists for Financial Assistance awards must complete a consolidated loan information form through the Motor City Match process to be considered for a grant. Please note, the process of submitting this information does not require that the business owner take on a loan.

Grant Funding Levels and Requirements

Grants are available for businesses that can't get any or all of the financing needed to open.

Grants are not a substitute for readily available financing or equity investment. Grants are used to fill the gap on projects. The financial gap is determined based on the total project cost, less the debt that the project is projected to sustain and the owner's equity investment.

Motor City Match grants are a maximum of \$100,000, not to exceed 50% of total project costs.

Motor City Match Program Guidelines

Motor City Match will offer up to \$500,000 in grants each round. Both businesses and building owners will compete to access this pool of grant funding. Grants may only exceed 50% of the total project cost based on the financial gap if the total project cost is less than \$40,000.

A minimum of 10% project equity is required as a baseline for consideration for grant awards and loan financing.

These grants are designed to increase the business owner or building owner equity investment to help strengthen the case for financing or close the gap on the project when financing cannot be obtained.

Grants are generally issued on a reimbursement basis and will be accessed on a “draw-down” basis.

When sufficient capital to fund eligible expenses is not available to an awardee, “3-party” payment to vendors may be made available based on stipulations expressed in an awardee’s Motor City Match Grant Agreement.

Grant making will use scoring from the selection process as decision-making criteria for grants. Additional decision-making criteria are as follows:

Grant and Loan Underwriting Fundamentals

1. The project costs must be considered reasonable as determined by the Motor City Match staff and the selection committee.
2. All sources of the project financing must be committed. Prior to Motor City Match’s commitment to awarding a grant, business and property owners will work with Motor City Match financial partners and technical assistance team to:
 - a. Verify that sufficient sources of funds have been identified to finance the project including opportunities to receive financing from Motor City Match lending partners;
 - b. All participating parties providing those funds have affirmed their intention to make the funds available; and
 - c. The participating parties have the financial capacity to provide the funds.
3. Motor City Match grant funds cannot be substituted for private, independent capital. In other words, Motor City Match grants will only be made to fill a financial “gap” on the project. If the project is able to be completely and independently funded through private sources, there is no need for public investment. In determining the “gap” on a project the Motor City Match selection committee will consider:
 - a. Whether the business or property owner has, or has not, applied for private financing.
 - b. Whether the degree of equity participation is, or is not, reasonable given general industry standards for rates of return and risk profile for similar projects and given the financial capacity of the business or property owner to make additional financial investments.
4. The project must be financially feasible.
5. To the extent practical, the return on the owner’s equity investment cannot be unreasonably high.
6. There must be a minimum 10 % equity investment towards project costs.

Timeline for Completion

Financial Assistance awards (grant funds) must be complete their first grant disbursement within one year of the award approval by the EDC board.

Required Documentation

Business and building owners being considered for financial awards must agree to provide the following:

Motor City Match Program Guidelines

1. Business plan (new business) or growth plan (existing businesses, looking to expand to an additional location)
2. Executed letter of intent or lease, or a copy of a registered deed
3. Development plan including construction, renovation or upgrade cost estimates and bids from contractors
4. Business financial information:
 - Certificate of assumed business name
 - Interim balance sheet and income statement
 - Three years calendar/fiscal year-end balance sheets and income statements
 - Current accounts receivable aging
 - Current accounts payable aging
 - Three months bank statements for main operating account
 - Business organizing documents
 - Articles of incorporation/formation (LLC, Corp)
 - Operating agreement (LLC only)
 - Partnership agreement (Partnership only)
 - Bylaws (Corp only)
5. Personal financial information:
 - Signed and dated personal financial statement
 - Three years personal federal tax returns
 - Last three years W-2's for each individual
 - Last two months personal bank/brokerage statement for all owners
 - Copy of divorce decree or bankruptcy discharge (if any)
6. Building Information:
 - Property owners must be in good standing with the City of Detroit, Wayne County, State of Michigan and the Internal Revenue Service ("IRS").
 - Properties must be clear of outstanding blight or dumping tickets
 - Properties must be current on water and drainage bills with Detroit Water and Sewerage Department
 - Property must be vacant on or before the date of the application submission, unless an exception is granted.

Eligible Expenses and Policies

Each project will receive a project financial evaluation and notice of intention to provide grant funding. Projects that receive grant awards will be required to execute a grant agreement that outlines the terms and conditions for grant funding. Grant funds will be awarded to the business owner, building owner or both on a project-by-project basis.

As a condition to the grant award, each project will be required to complete a "project financial plan" in collaboration with Motor City Match technical assistance providers. The project financial plan will identify:

- All project costs and the corresponding sources and uses of funding on a line item basis, including costs that will be paid for in-part or whole by Motor City Match grant funds.
- Who is responsible (either the property owner or the business) for costs.
- Ownership of eligible costs. In other words, if Motor City Match grant funds are used to purchase equipment, the project financial plan will determine if the equipment belongs to the property owner or the business in compliance with applicable laws.

Eligible Financial Assistance Award grant expenses include:

- Business and professional services
- Design services and drawings

Motor City Match Program Guidelines

- Exterior and interior building renovations
- Permanent and mobile equipment
- Code compliance
- Working capital
- Inventory

Eligible Expenses and Policies

Each project will receive a project financial evaluation and notice of intention to provide grant funding. Projects that receive grant awards will be required to execute a grant agreement that outline the terms and conditions for grant funding. Grant funds will be awarded to the business owner, building owner or both on a project-by-project basis at the sole discretion of Motor City Match.

6. BUILDING OWNER PARTICIPATION

Award Eligibility

Building owners are eligible to apply for Technical Assistance Awards and Financial Assistance Awards. Building owner applications for Technical Assistance and Financial Assistance Awards will be evaluated based on the criteria set out in previous sections of this document and are subject to the same eligibility criteria as business owners.

Motor City Match Property Database and Map

Additionally, building owners of vacant property may apply to have their space listed in the Motor City Match property database viewable on motorcitymatch.com. Buildings that meet the criteria listed below will be included in the Motor City Match property database upon successful review of applications.

- All types of non-residential properties including, but not limited to, commercial, industrial, office, warehouse and co-working spaces will be considered.
- For-profit corporations, companies and not-for-profit organizations that own real estate may apply. For-profit property ownership entities may be Sole Proprietorships, General Partnerships, Limited Partnerships (LP), Limited Liability Partnerships (LLP), Corporations (Inc., Corp.), Limited Liability Companies (LLC), Low-profit Limited Liability Company (LC3)
- Property ownership entities must be formed or incorporated prior to submission of the application.
- Faith-based organizations that own real estate are eligible to apply, subject to 24 CFR § 570.200(j).
- Corporations and organizations that own multiple properties may apply for multiple properties but must submit *one application per property*.
- Owners of multi-unit buildings, with one or more vacant spaces, may apply for each available space within the multi-unit building. In this case, building owners should submit one application for each available unit or indicate the number of units and square footage of each unit on the application.

Properties must meet the minimum conditions to be considered:

- Majority interest or shareholder in the property ownership entity must be 18 years of age or older.
- Properties must be structurally sound, with a roof in place, secured and safe for entry.

Motor City Match Program Guidelines

- Property owners must be in good standing with the City of Detroit, Wayne County, State of Michigan and the Internal Revenue Service (“IRS”).
- Properties must be clear of outstanding blight or dumping tickets
- Properties must be current on water and drainage bills with Detroit Water and Sewerage Department
- Property must be vacant on or before the date of the application submission, unless an exception is granted.

Building owners being considered for inclusion in the database must agree to provide the following:

- Proof of ownership such as warranty or covenant deed, or if a purchase agreement is in place, the deed held by the current property owner
- Access to the space and confirmation the space is vacant and safe
- Permission to allow contracted professionals to assess building conditions, construction needs, costs and other activities related to redevelopment and business feasibility
- Willingness to coordinate with financing professionals to assist in the underwriting and financing of the project.
- Personal financial statements, tax returns, and other financial documents of the building owner may be requested for consideration of technical assistance awards and are required for consideration for grants and loans
- Willingness to comply with all program terms and conditions, participate in public relations and program meetings
- Willingness to submit quarterly Building Status Updates that verify the building continues to meet the minimum conditions to be considered

Application Process

When to Apply:

Building owners that would like to have their vacant property listed in the Motor City Match property database can apply at any time. Building Applications are available on a rolling basis. Motor City Match staff reserves the right to include and remove any building or available space from the MCM Property Database based on compliance with eligibility conditions. **Inclusion in the Motor City Match Property Database is not considered a Motor City Match Award and does not include access to any Technical Assistance or Financial Assistance. Further, Motor City Match makes no guarantees with respect to a building owner’s ability to secure a tenant for the building listed on the Motor City Match Property Database.** As such, buildings chosen for inclusion in the “database” are not subject to EDC Board Approval.

Where to Apply:

Apply online at www.motorcitymatch.com or pick up a paper application at the Detroit Economic Growth Corporation, 500 Griswold #2200, Detroit MI 48226.

Application Assistance

Information sessions will be held periodically and will occur at least once per application period. The schedule of events will be posted at www.motorcitymatch.com.

Application Confirmation

If applying online, applicants will receive an automatic confirmation email after submitting. If applying by mail or in person, applicants will receive a confirmation email once applications are processed. It may take several days to process applications. Please note that an email address is **required** to receive confirmation that an application has been received.

7. ADDITIONAL INFORMATION

Expectation of Winners

Award winners will be expected to attend events where they will be connected to other award winners and resources. They will also be asked to share their story through a variety of media opportunities. These types of opportunities will be determined after winners are announced.

All award winners are expected to sign an acknowledgement of program terms in addition to relevant technical assistance or grant agreements.

Technical assistance awards and financial assistance received pursuant this Agreement may be considered taxable income by the U.S. Internal Revenue Service, the Michigan Department of Treasury, and/or the City of Detroit Finance Department. Awardee is strongly urged to consult with a tax professional to determine the federal, state and/or city tax implications of receipt of financial or technical assistance. The Economic Development Corporation of the City of Detroit will issue a Form 1099 to each awardee.

Use of Applicant Data

Applicant information will be shared with the Detroit Economic Growth Corporation (DEGC) for the purposes of providing direct follow-up to all applications. DEGC has a business attraction program that connects businesses to applicable business support services. If DEGC cannot directly help a business, they will recommend and connect the business owner with to one of their non-profit partner organizations that may be able to provide financial aid. Many of these non-profit partners are featured on the BizGrid, a list that is designed to help businesses find business support: www.detroitbizgrid.com.

Confidentiality

Except as noted below, the EDC will not share Applicant proprietary and confidential data with any third parties except as need for the purposes of review during the award selection process and providing business support. Applicants should clearly mark such information as proprietary and confidential. Applicant data will not be sold.

NOTE; The EDC is a governmental body. Thus, documents in the EDC's possession are subject to disclosure under the Michigan Freedom of Information Act (FOIA). EDC will endeavor to not disclose any information of Applicant it believes to be exempt under the FOIA but, notwithstanding anything stated otherwise herein, the EDC cannot guarantee the confidentiality of Applicant's submissions and specifically does not warrant that the Application and any documents submitted therewith are exempt from disclosure under the FOIA. Accordingly, Applicants are advised that documents and information submitted to the EDC may become a public record. With respect to information which Applicant submits to the EDC as part of its Application, Applicants should give specific attention to the identification of information they deem confidential, commercial or financial information, proprietary information, or trade secrets and should appropriately mark such information as confidential prior to submission. Applicant should be prepared to provide justification why such marked information should not be publicly disclosed under the FOIA. Applicant is advised that, without notice to the Applicant and upon request from a third party, the EDC is required to make an independent determination as to whether the information may or must be divulged to that party and does not warrant that such information will be exempt from disclosure.

Motor City Match Program Guidelines

Disclaimer

The information contained herein is subject to the actual grant-award documents and the written terms and conditions of the Motor City Match program and the Economic Development Corporation of the City of Detroit (EDC) which govern the program, as the same may be amended from time to time. EDC also reserves the right to make the final determination of any person's or organization's eligibility and/or qualifications for program benefits, and to make allocation of program benefits as it may, in sole discretion deem appropriate.