



Downtown Kenosha, Inc.

One Town Recovery Grant

PROGRAM GUIDELINES

1.0 INTRODUCTION

In response to the economic hardships small businesses are experiencing resulting from recent civil unrest and damages, Downtown Kenosha, Inc. is launching the One Town Recovery Grant in an effort to stabilize local businesses and repair damages.

The resulting funds will help offset the immediate emergency status of imminent business closures with assisting funds while awaiting insurance claims and processes.

Downtown Kenosha, Inc., hereafter referred to as “DKI”, has modified existing economic vitality programs to create a combined funding mechanism that will serve small businesses up to \$10,000 in granted awards to be used for business expenses expressly.

2.0 PROGRAM REQUIREMENTS

2.1 Eligibility and Terms

Eligible businesses may be awarded up to \$10,000 in grant awards through the One Town Grant application process.

i. Eligibility

- For-profit business or nonprofit organization is located in the City of Kenosha
- Applicant is 51% + majority owner of business; otherwise all partners will need to be listed
- Owner is 18 years or older
- Owner has or will have a valid SS #, EIN, Business Bank Account
- Business is or will be registered with IRS, WI DFI, WI DOR, and/or WIDWD
- Owner/Applicant is not currently in bankruptcy
- Owner/Applicant is current with property taxes and City fees, or has a payment plan in place with County and/or City
- Satisfied deliverables of other DKI-based funding requests (as applicable)
- Businesses must show proof of damages from rioting

ii. Terms

- Maximum request: \$10,000
- Minimum request: \$1,000
- Quarterly business retention visits for first year with allowance of data to be sent to WEDC

iii. Fees

- a. Application Fee: None

2.2 PROGRAM SERVICE AREA

Awards under this program are available to eligible for-profit businesses and non-profit organizations registered and located within the City of Kenosha. The location of the business is considered by the place of business administration and registration address. Funds will not be provided to businesses registered or located outside of the City of Kenosha.

2.3 FUNDING SOURCE AND FUND DISTRIBUTION

Grant applications will be processed in enrollment periods as outlined.

Notice will be made publicly **October 5th, 2020** and applications will be accepted until **October 12th, 2020 at midnight**.

Funds will be disbursed by DKI to the grantee for documented eligible project expenses within 5-7 business days from acceptance.

2.4 ELIGIBLE APPLICANTS

- Eligible applicants must have a registered business address in the City of Kenosha
- The business must be a sole proprietorship, partnership, limited liability company, or corporation
- If non-profit, must show provide articles of incorporation, or other proof of nonprofit status.

2.5 INELIGIBLE APPLICANTS

- An ineligible existing business applicant is one that has a physical business location or registration outside of the City of Kenosha .
- Other ineligible businesses include firearm or other weapons dealers, adult entertainment, passive real estate investments, or home- based businesses operating without appropriate zoning and/or permits,

2.6 ELIGIBLE USE OF FUNDS DKI will review the proposed use of funds submitted in the application. Applicants will collect third party cost estimates for project costs at the application stage. Funds are restricted to certain eligible costs, especially those related to

- basic operating capital for leasing or purchasing space, storage
- purchasing inventory, supplies, accounting and inventory software, furniture, fixtures, and equipment (with or without installation costs)
- material purchase for repair of exterior (with or without installation)
- clean up costs reimbursements

As secondary requests, DKI will also consider requests for

- staff salaries
- insurance and/or utilities
- vendor costs, reimbursements of utilities
- marketing materials and advertising including website development and services

2.7 INELIGIBLE USE OF FUNDS

Funds under this Program may not be used to:

- Pay off non-business debt, such as personal credit cards for purchases **not** associated with the business.
- Purchase personal expenses such as buying a new family car or making repairs to a participant's home.
- Direct financing to political activities or paying off taxes and fines.
- Purchase personal items, or support other businesses in which the borrower may have an interest.

2.8 APPLICANT CAPACITY

DKI must confirm that the business and the applicant(s) possess the capacity to execute the proposed application of funds to be successful. As such, grant applicants for the Recovery Grant are required to demonstrate management capacity and ability to successfully operate a business through their applications.

2.9 SECURITY REQUIREMENTS

Notwithstanding, anything to the contrary in the agreement, if the grantee defaults in the performance of any obligation of program follow ups or determined payment, the grantor may declare granted amount distributed to be immediately due and payable. Failure to comply may be subject to small claim pursuance.

3.0 PROGRAM DETAILS

3.1 GENERAL CREDIT REQUIREMENTS

A. Outstanding Taxes, Fines and Fees Outstanding debts from citations, child support, taxes owed to federal and state agencies, and delinquent property taxes **do not** disqualify applicants, **IF** proof of formal payment arrangements is provided.

B. Traditional Credit Applicants may elect to submit personal credit information if they feel it would strengthen their application but this is not a requirement.

3.2 OTHER REQUIREMENTS

Loan Applicants must:

- Fill out the entirety of application; please supply as much detail as possible with supportive documentation requested ie: insurance claims, receipts of costs, invoices of repair, etc
- Provide evidence of damages
- Supply within application detail of debt – payment, amount remaining, terms

3.3 PROGRAM ADMINISTRATION

DKI will originate Grant Program and perform the following:

- Market the One Town Recovery Grant program and promote enrollment dates
- Accept and process applications
- Complete eligibility qualification and document number of employees
- Review application requests and organize for committee scoring
- Ensure a timely disbursement of awards
- Maintain grant files and fiscal records
- Administer donations, grants, and program income used to fund this program
- Ensure compliance with program guidelines
- Provide WEDC and relevant committees program evaluation updates
- At end of twelve-month perform annual review evaluation

3.4 GRANT SERVICING

DKI will act as the collection agent for its development reports. The duties of the DKI staff will include the following:

- Process general accounting and grant processing
 - Obtain first-year annual financial statements to monitor grant requirements (as applicable)
 - Negotiate changes in terms

As with other economic development program activities, if DKI determines that the applicant income information is not accurate, is using funds for ineligible activities, or is disqualified from receiving federal assistance, then all program services will cease immediately and any allocated awards will be due and payable immediately.

Notwithstanding, anything to the contrary in the agreement, if the grantee defaults in the performance of any obligation of grantor designation, DKI may declare award amount at the time of disbursement to be immediately due and payable. Failure to comply with agreement will be subject to small claims pursuance.

DKI must collect certain income and demographic data from applicants. DKI will collect this information and keep it in the program participant file. Reviews of data will be requested for up to twelve months.

4.0 PROGRAM OPERATIONS AND GRANT PROCESSING

4.1 PROGRAM MARKETING AND OUTREACH

Program marketing will be conducted by DKI and will affirmatively target women and minority-owned enterprises. Examples of marketing include media coverage with ads in local papers and distribution of marketing brochures to local chamber of commerce, and business networking organizations. Presentations may be scheduled for these groups as well as real estate groups, local commercial banks and other organizations. The local Small Business Development Center (SBDC) or other similar entity may be used as a referral agency.

4.2 EQUAL OPPORTUNITY COMPLIANCE

The Recovery Grant will be implemented in ways consistent with DKI's commitment to State and Federal equal opportunity laws. No person or business shall be excluded from participation in, denied the benefit of, or be subjected to discrimination under any program or activity funded in whole or in part with CDBG program funds on the basis of his or her religion, religious affiliation, age, race, color, ancestry, national origin, sex, marital status, familial status (number or ages of children), physical or mental disability, sexual orientation, or other arbitrary cause.

4.3 APPLICANT CONFIDENTIALITY

All personal and business financial information will be kept confidential to the extent permitted by law. The Recovery Grant's participant files with personal and business confidential information will be kept in locked, secured storage units.

4.4 DISPUTE RESOLUTION/APPEALS PROCEDURE

Applicants whose applications are not selected or not deemed eligible have the right to appeal the decision of DKI, limited to procedural errors in the selection process. In the event that no such procedural errors are found to have occurred, the decision of DKI shall be final. An aggrieved applicant may, within seven (7) business days after the selection of prospective eligible projects, appeal in writing to the Executive Director of Downtown Kenosha, Inc. or their designee. The appeal must state all facts and arguments upon which the appeal is based. The Director, or the appointed Designee, will review the content of DKI solicitation document (NOFA), the applicant's application, and the facts which form the basis for the appeal. The Director, or the appointed Designee, will render a written decision within thirty (30) business days of the receipt of the appeal.

4.5 EXCEPTIONS / SPECIAL CIRCUMSTANCES

DKI will not make exceptions to policies and procedures outlined in the program guidelines derived from State legal requirements. DKI, however, reserves the right, at its sole discretion, to deviate from DKI-imposed policies and procedures in extenuating circumstances. A request for exception to program guidelines shall be submitted to staff in writing by applicant. Exceptions are defined as any action which would depart from policy and procedures stated in the guidelines. Federal regulations shall overrule this document in any case where conflict between DKI and Federal regulations is apparent.

4.6 GRANT ACCEPTANCE PROCESS

Upon successful completion of application process, DKI staff will prepare grant supporting documents as appropriate for disbursement. All agreements and documents will be reviewed by DKI's legal counsel as necessary. Project summaries will be provided to the Advisory Board annually.

4.7 APPLICATION REVIEW

Applications to the One Town Recovery Grant program are presented by business owners/ agents to DKI staff. DKI staff shall have the option of creating an advisory committee to assist in review, underwriting, and determining awardee recommendations. If active, DKI staff will schedule advisory committee meetings and coordinate review of each grant application prior to forwarding recommendations to the Executive Director of Downtown Kenosha, Inc.

Contracts for approved grant applications will be drafted by DKI staff and circulated for signatures to:

Applicant
DKI Executive Director
Committee Grant Representative