

# CITY OF MADISON BUILDING IMPROVEMENT GRANT



Economic Development Division  
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## **PROGRAM SUMMARY**

The City of Madison, residents, business owners and the development community continue to invest in independent businesses to continue to maintain the independent flavor that makes Madison special.

Unique and successful independent retail and service businesses have a significant effect on the attractiveness and marketability of the surrounding area. This program encourages business owners to reinvest in their business by offering grants to assist with the capital costs associated with renovating the interior and exterior of retail spaces.

The Building Improvement Business Grant program is federally funded through the American Rescue Plan Act.

### **Applicant Eligibility Requirements**

Eligible business include retail, restaurants, and retail services including spas and salons.

Eligible business must be at least 51% owned by individuals residing in Dane County.

Tenants operating small, independent businesses, with leases two or more years in length, located within the City of Madison, are eligible for funding. Business owners that own the property in which their business operates are also eligible.

Ineligible business includes offices, consulting firms, health care, insurance, banking and non-retail/restaurant/service businesses.

Governmental entities, non-profits, businesses not involved in retail, restaurant or service sales, and public and quasi-public authorities are ineligible for funding.

### **Property Eligibility Requirements**

Properties must be located within the City of Madison, including Town of Madison properties that will attach to the City of Madison in October 2022.

Properties that are used in whole or part for commercial activities noted above, are eligible for funding. The program is intended to assist projects that promote independent business activities, create an attractive environment, improve energy and water efficiency and encourage neighborhood character.

### **Grant Amount**

Grants will be provided in an amount up to \$50,000 for eligible interior and exterior improvements.

## **Eligible Costs**

To the greatest extent possible, the City would like to invest in interior and exterior improvements that would benefit not only the current tenant, but future businesses within the space as well. Such eligible interior improvements would include, but are not limited to, the following:

- HVAC, electrical, or plumbing improvements
- ADA compliance improvements
- Construction of customer restrooms
- Rehabilitation of the space to basic “white-box conditions” such as repairing or replacing cracked plaster walls, structural improvements or ceilings
- New flooring
- New energy efficient lighting
- New energy efficient windows and doors
- Restoration of deteriorated historic/architectural elements
- Loading dock, storage, store room repairs and construction
- Other elements that could be useful to a new business
- Upgrades that improve energy efficiency, reduce water use, reduce the amount of food or other materials going in the trash, or otherwise reduce the environmental impact of the business.
- Eligible exterior improvements that mirror those improvements considered eligible under the current Façade Improvement Grant Program
- Design, architectural and permit fees associated with the construction are also eligible project costs

## **Additional Eligible Costs**

Costs for furniture, fixtures and improvements that would not reasonably be of use to another business will be considered for reimbursement up to \$25,000.

The maximum amount any one business can receive is \$50,000. This means a business can use \$25,000 of the \$50,000 total to use for expenses related to building upgrades that would only benefit the current tenant.

Such eligible interior improvements would include, but are not limited to, the following:

- Security systems that are personal to the business and not transferrable to a new user
- Furniture, racks and shelves or counter space that would likely be removed upon vacancy of the tenant
- Office equipment such as POS systems, printers, computers and tablets

## **Expected Considerations**

We expect that all projects will be compliant with American Disability Act standards and use environmentally friendly products and materials, including those that are ENERGY STAR certified.

## **Grant Requirements**

All projects must receive all applicable city building permits, if required.

The owner/tenant shall comply with all sign control ordinances contained in chapter 31 of the Madison General Ordinances and keep the exterior surfaces maintained to prevent deterioration and to present an attractive appearance.

The owner/tenant shall comply with all applicable provisions of the Madison General Ordinances concerning equal employment opportunity and affirmative action programs and practices in connection with the construction work being completed using grant funds.

The owner/tenant shall assist and actively cooperate with the City in obtaining the compliance of contractors with such provisions of the Ordinances, and with the rules, regulations and relevant orders issued by the City pursuant to such provisions of the Ordinances.

*It is our intention to make the application simple for business owners and flexible to the tight time between signing a lease and beginning work on leasehold improvements. As a result, applicants can complete the process for reimbursement two ways:*

Option 1: Applicants can complete the process for reimbursement before they begin construction to guarantee funding before they incur costs.

Option 2: Applicants can make the improvements and then go through the process for reimbursement recognizing that their requests may be denied and there is no guarantee of funding until the process is complete.

**Both Option 1 and Option 2 require you complete and submit the application BEFORE work begins.**

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**Processing Steps**

- Step 1** Call or e-mail City Staff to discuss your project: 608-267-4933
- Step 2** Applications are accepted on an on-going basis until the funds run out.
- Step 3** Applications must be submitted to the Economic Development Division. Email applications are preferred.

<b>E-mail application to:</b> City of Madison <a href="mailto:big@cityofmadison.com">big@cityofmadison.com</a>  <b>PREFERRED DELIVERY METHOD</b>	<b>Drop off application:</b> ATTN: Ruth Rohlich Madison Municipal Building 215 Martin Luther King Jr. Boulevard Room 300 Madison, WI 53701	<b>Mail application:</b> ATTN: Ruth Rohlich City of Madison Economic Development P.O Box 2983 Madison, WI 53701-2983
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An application from a tenant must include a copy of the lease and written approval from the owner. Applications must include a detailed description of the improvements suggested/completed with estimates from vendors.

- Step 4** A City staff team will discuss the proposed/completed improvements. If the proposal meets the requirements of the Building Improvement Grant, a Conditional Letter of Approval will be sent to the owner/tenant. This letter may require modifications or changes to the original proposal.
- Step 5** The applicant will then submit approved drawings and cost estimates/paid receipts to the Economic Development Division for review.
- Step 6** Following approval by the Building Improvement Grant Program Review Team, the Economic Development Division will, depending on the value of the Grant and source of Grant funding, prepare and furnish the applicant with a Purchase Order or Grant Agreement.
- Step 7** If a Grant Agreement is required, the applicant must sign the Grant Agreement and return to the City.
- Step 8** The applicant must obtain building permits for the work. The applicant must display a sign provided by the City on the site indicating “Financing provided in part by the City of Madison Building Improvement Grant Program.”

Please keep in mind:

- **In cases where we will be reviewing and approving the invoices and improvements AFTER work is completed there is absolutely no guarantee that these improvements will qualify for funding. Please make sure you have communicated with City staff of your plans before you begin your improvements if you are depending on funding to help offset costs. Any guarantee of funds will have to go through the City process as described above.**