

Department of Planning & Community & Economic Development **Economic Development Division**

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South Madison Plan - Building Improvement Grant (BIG) Program Summary

<u>The South Madison Plan</u> (Attachment 2) prioritized façade improvements with a focus on ADA compliance (CDBG Priority Projects #5 p.74). This funding allows for Façade Improvements as prioritized in the South Madison Plan as well as other business improvements that will enhance the accessibility and aesthetics of commercial buildings.

Included in the South Madison plan is an allocation of Community Development Block Grant (CDBG) program funds to support community prioritized projects which are compatible with the use of federal funds.

Because this funding comes from the CDBG program there are very specific requirements of grant recipients. Please read through the program description before filling out the pre-application.

Program Description

South Madison Building Improvement Grants are available to micro-businesses who identify as being owned by low-to-moderate individuals. (See definitions p.4)

Businesses must be located within the Park Street boundaries. (See Attachment 1)

Each grant has a maximum available amount of \$30,000. The total funding amount is \$123,000. Grants will be available on a first come first served basis.

Businesses that are renting their space must have permission from the building owner to do building improvements through this grant.

Governmental entities, non-profits, and public and quasi-public authorities are ineligible for funding.

All microbusinesses that fit the eligibility requirements are eligible. (See definitions p.4)

Project Types

Funding priority will be given to projects that improve the streetscape or façade of the building with a strong emphasis on projects that include ADA accessibility and inclusive design features. Eligible interior improvements include, but are not limited to, the following:

- Streetscape or façade improvements of the building with a strong emphasis on projects that include ADA accessibility and ADA accessible entrances.
- HVAC, electrical, or plumbing improvements
- ADA compliance improvements
- The 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 lighting
- New 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
- "Green" or environmentally friendly upgrades
- 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

Davis Bacon and Related Acts (DBRA)

The DBRA requires all contractors and sub-contractors performing on federally-funded construction contracts in excess of \$2,000 to pay their laborers and mechanics no less than the locally prevailing wage rates and fringe benefits for corresponding work on similar projects in the area as determined by the Secretary of Labor for inclusion in Davis-Bacon-covered contracts.

Municipalities must ensure bids, contracts, and subcontracts contain the applicable wage determination and the Davis-Bacon labor standards clauses found in 29 CFR § 5.5 (Code of Federal Regulations), titled Contract Provisions and Related Matters. The labor standards describe contractor responsibilities and provide remedies for noncompliance. A wage determination (WD) is a set of wages, fringe benefits, and work rules that the DOL has ruled to be prevailing for a given labor category in a given locality. Note that if federal and state wage rates apply, contracts must contain both wage decisions/contract standards and employers must pay the higher of the two rates.

This means there will be reporting requirements of any contractor used to ensure they are adhering to the rules of the DBRA. The City will provide an information sheet for business owners to share with all contractors. It will be up to the business owner, as the grant recipient, to make sure they are hiring contractors that can adhere to these rules. If you are doing work over \$2000 business owners will be required to set up a meeting with the Department of Civil Rights (DCR) to go over what will be expected of applicants.

Environmental Review

An environmental review is required and will be conducted by City staff. The City will work with applicants to determine the level of environmental review necessary before grant funds are administered. The City's environmental review shall include, but not be limited to, ascertaining the project's effect on: historic properties; floodplains; and air and water pollution.

Definitions

<u>Low-to-moderate income (LMI):</u> To qualify as LMI your household income must be at or below the following

Dane County - City of Madison LMI July 1, 2022 – June 30, 2023							
1 Person Household	2 Person Household	3 Person Household	4 Person Household	5 Person Household	6 Person Household	7 Person Household	8 Person Household
\$62,600	\$71,550	\$80,500	\$89,400	\$96,600	\$103,750	\$110,900	\$118,050

<u>Micro-business</u>: A "microenterprise" is a commercial enterprise that has five or fewer employees, one or more of whom owns the enterprise.