



Department of Planning & Community & Economic Development

Economic Development Division

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TO: City of Madison Joint Review Board

FROM: Matthew B. Mikolajewski, Director
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SUBJECT: Annual Small Business Development TIF Grant Report

DATE: August 26, 2025

The purpose of this memo is to provide information regarding Small Business Development grant programs in the Economic Development Division that utilizes TIF grant funding from September 2024 through August 2025. This memo is part of the Annual Report provided to the Joint Review Board, as required by State of Wisconsin TIF Law.

The following TIDs have funds set aside to fund Small Business Development grant programs:

- TID 44 (Royster Clark) - \$500,000
- TID 46 (West) - \$750,000
- TID 50 (State Street) - \$600,000
- TID 51 (South Madison) - \$850,000
- TID 52 (East Washington & Stoughton Rd) - \$300,000
- TID 53 (Wilson Street) - \$500,000
- TID 54 (Pennsylvania Ave) - \$700,000

Small Cap TIF Program

The Small Cap TIF Loan Program provides forgivable loan funds to small businesses in selected Tax Incremental Districts (TID) within the City of Madison. The Madison Development Corporation (MDC) is the administrator of the program. Funds can be used to:

- Purchase real estate,
- Finance real estate improvements, or
- Purchase capital machinery and equipment

Eligible borrowers:

- Businesses located within the City of Madison in eligible TIDs, or within the applicable half mile area;
- Small businesses defined as companies employing between 5 and 100 employees;

- Businesses that intend to stay within the TID for at least five (5) years;
- Businesses that are a for-profit entity

Amounts:

- Loans up to \$250,000 for real estate purchase, improvement, remodeling or expansion
- Loans up to \$150,000 for machinery and equipment purchases

Rates:

- 0% interest for 5-year Term of the Loan
- Loan Balance to be decreased by 20% each year the Borrower is located and operates within the TID District, and will be fully forgiven at the end of the 5 years from the date that the City's adopted the Loan Authorization Resolution

Terms:

- City will take the most mortgage security interest practicable in real estate and / or a practicable senior lien on machinery and equipment to secure the Loan
- A personal guarantee is required of all principals with 20% or more interest in business
- Equity requirement for existing businesses (10% of the total borrowing need) and 20% for start-up businesses

Businesses funded/approved for funding* from September 2024 – August 2025:

Business Name	Amount	PDF Page
Atwood Music Hall	\$125,000	1
Tendrel Foods	\$125,000	5

*See Attachment A - Small Cap TIF for Security Agreement

Building Improvement Grant Program

The Building Improvement Grant Program provides grant funds to assist businesses, both property owners and tenants, to improve their interior retail space. Funds can be used for building improvements such as:

- 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 doors, flooring, lighting or windows
- 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

Applicant Eligibility Requirements:

- This program is available to business or property owners (tenants or landlord).
- Eligible business includes for-profit retail, restaurants, retail services including spas and salons
- Ineligible business includes offices, consulting firms, health care, insurance, banking and non-retail businesses
- Property owners of commercial/mixed-use structures with an independent business as a tenant and building tenants operating independent businesses, with leases two or more years in length, located within TID 50, are eligible for funding
- 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 that are used in whole or part for commercial activities, are eligible for funding. The program is intended to assist projects that promote independent business activities, create an attractive environment and encourage neighborhood character
- Businesses located within the City of Madison in eligible TIDs, or within the applicable half mile area

Businesses funded/approved For funding* from September 2024 – August 2025:

Business Name	Amount	PDF Page
1929 Winnebago St LLC	\$50,000	7
Banzo LLC	\$36,038	10
Bear Spots, LLC	\$50,000	13
Bomazza LLC (Silk Road)	\$35,050	16
Chanell Ardor Schools of Beauty and Culture	\$50,000	19
CocoVaa LLC	\$50,000	22
Firm Foundation Hair & Beauty	\$50,000	25
Inspire Barber and Beauty Salon	\$50,000	31
Isaiah Schroeder Knifeworks LLC	\$50,000	34
Macaroni Boys LLC	\$50,000	37
MOJO Method LLC (CrossFit Mojo)	\$50,000	40
Olesya LLC	\$12,075	43
Pricked LLC	\$50,000	46
Slayd'By Daijanya LLC	\$49,348	49
Tailer Nicole Wine and Cupcakes LLC	\$50,000	52

Taqueria Los Atlantes LLC	\$50,000	55
Tha Nu Wave	\$50,000	58
The Baked Lab LLC	\$50,000	61
Vernee Nycole House of Beauty LLC	\$40,724	64
Wilson Residential Investors, LLC	\$50,000	67
Wisco Cocktail Ice	\$50,000	70
ZaZa Snacks LLC	\$26,750	73

*See Attachment B - Building Improvement Grant Contracts

Commercial Ownership Assistance Program

The Commercial Ownership Assistance Program provides forgivable loans of up to \$250,000 to support existing businesses in taking the next step toward owning or developing property for their enterprise. This program helps business owners expand their enterprises by transitioning from renting space to owning commercial property for their establishments. The loan can be used for businesses to purchase an existing space or to develop a new building for their businesses.

Applicant Eligibility Requirements:

- Applicants must be City of Madison residents, own a business located within the City of Madison and not have received funds in any way through this program in the past
- The program is designed for existing business owners to support them in taking the next step toward owning or developing a business property. As such, applicants should be established businesses with two or more years of operating experience
- Applicants will be required to demonstrate the viability of their business concepts through a business plan, financial statements, and/or other documentation
- If an applicant currently owns their commercial property the proposal must be an expansion of this property and the applicant shall not own or partially own any other property beyond their primary residence

Eligible Uses:

- Funds can be used by businesses to purchase their existing building, buying a new building, sizable expansion or redevelopment of an existing building the business presently owns, or purchasing a condominium unit
- Commercial property must be located within the City of Madison

Businesses funded/approved for funding* from September 2024 – August 2025:

Business Name	Amount	PDF Page
MK Property Group LLC (Silk Road)	\$117,500	79

*See Attachment C - Commercial Ownership Assistance Contracts