ECWRPC 2021-2022

## MAIN STREET BOUNCEBACK GRANT PROGRAM

FINAL REPORT

Huck & Finn in Waupaca, WI Source: Huck & Finn



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During the past few years, our region has witnessed great change. From the unprecedented upheaval brought on by the COVID-19 pandemic to the equally unparalleled response, the constant has been disruption. The effects of this disruption are wide-ranging, but include significant impacts on small businesses and main streets throughout the region.

The East Central Wisconsin Regional Planning Commission is committed to supporting businesses and economic development initiatives that advance our region. One of these initiatives, the Main Street Bounceback Grants Program, has been particularly successful at furthering that goal. Working in partnership with the Wisconsin Economic Development Corporation, economic development organizations, and regional planning commissions across the state, East Central administered the Main Street Bounceback Program effectively and successfully over the course of the last year and a half.

The Main Street Bounceback Program was developed to help communities rebuild and renew downtowns by providing \$10,000 grants to businesses and non-profits who filled vacant buildings. That idea became a reality with East Central awarding an astounding 900 grants to businesses within the region ranging from Wittenberg to Campbellsport.

Beyond the numbers, the impact of the Main Street Bounceback Program is highly visible. Many downtowns and commercial corridors now have filled their vacant buildings with new businesses. Perhaps more important, however, are the people walking into these businesses and the palpable enthusiasm of the business owners and the communities in which they are located.

The variety of businesses that took advantage of the Main Street Bounceback Program is also demonstrative of its impact. From restaurants to retail stores to small manufacturers creating novel products, our region is stronger as a result of these investments. Travel through any community in the East Central region, and you'll be hard-pressed to find a corridor without a new or expanding business.

The following report will highlight the positive impact of the Main Street Bounceback Program in the East Central region. At the heart of this program are the business owners, economic development organizations, and communities who continue to demonstrate ingenuity, resolve, and an entrepreneurial spirit that help us all move forward.

#### Jeff Nooyen

Chair, East Central Wisconsin Regional Planning Commission

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#### Authors

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#### INTRODUCTION

On August 4, 2021, the Wisconsin Economic Development Corporation (WEDC) announced the creation and launch of the Wisconsin Tomorrow Main Street Bounceback Grants Program. The Main Street Bounceback Program (MSBB), made possible through federal funds from the American Rescue Plan Act, provided financial incentives for businesses to fill vacant commercial and industrial buildings. The initiative was part of Wisconsin's wider response to addressing the economic and community impacts of the COVID-19 pandemic. In an effort to fill vacant buildings, the program offered \$10,000 grants to businesses for each new location occupied in Wisconsin as long as businesses met certain programs requirements.

To administer the Main Street Bounceback Program, WEDC contracted with nine regional planning commissions and economic development organizations throughout Wisconsin. Figure 1 and Table 1 illustrate and list the regional organizations responsible for Main Street Bounceback Program administration. The East Central Wisconsin Regional Planning Commission (ECWRPC or East Central) contracted with WEDC as one of the nine regional entities. ECWRPC administered the MSBB program for its 10-county region in East Central Wisconsin including the following counties: Calumet, Fond du Lac, Green Lake, Marquette, Menominee, Outagamie, Shawano, Waupaca, Waushara, and Winnebago.



*Figure 1. Main Street Bounceback Regional Organization Map Source: Wisconsin Economic Development Corporation* 

Upon program launch, the State of Wisconsin initially invested \$50 million in the Main Street Bounceback Program to provide approximately 5,000 grant awards throughout the state. The historic investment represents Wisconsin's first large-scale effort to entice businesses to fill vacant buildings. WEDC set the original program closure date for June 30, 2022. However, due to the program's strong demand, the program closure date was extended through December 31, 2022. The program extension was accompanied by an additional State investment of \$50 million for a cumulative total of \$100 million state-wide or approximately 10,000 grants.

WEDC initially funded a \$3 million allocation for the East Central region at the start of the program. Over time, WEDC increased the allocation to \$9 million for East Central based on increased demand. During the 17 months of the program, East Central granted 900 awards to businesses filling vacant buildings. East Central intends to offer a recap of the Main Street Bounceback Grants Program and further insights into the profile of grant awardees in the remainder of this report.

| 1 | Northwest Regional Planning Commission              |
|---|---|
| 2 | Mississippi River Regional Planning Commission      |
| 3 | North Central Regional Planning Commission          |
| 4 | Madison Region Economic Partnership                 |
| 5 | East Central Wisconsin Regional Planning Commission |
| 6 | West Central Wisconsin Regional Planning Commission |
| 7 | Milwaukee Development Corporation                   |
| 8 | Bay-Lake Regional Planning Commission               |
| 9 | Southwestern Wisconsin Regional Planning Commission |

#### MSBB REGIONAL ORGANIZATIONS

Table 1. List of Main Street Bounceback Grants Program Regional OrganizationsSource: Wisconsin Economic Development Corporation

#### MAIN STREET BOUNCEBACK PROGRAM ELIGIBILITY REQUIREMENTS

WEDC created several eligibility requirements for the Main Street Bounceback Program. To be eligible to receive a grant, businesses were required to move into a vacant commercial or industrial building after January 1, 2021 and before the program closure date of December 31, 2022. In addition, businesses were required to certify that they did not vacate a commercial or industrial space to become eligible to claim the grant. Beyond those requirements, certain business situations were deemed ineligible for the program. Table 2 lists criteria that rendered businesses ineligible for the Main Street Bounceback Program.

#### MSBB INELIGIBILITY CRITERIA

| Part of a national or regional chain, unless the business is an independently owned and operated franchise                   |
|--|
| A home-based business or property landlord, unless they are moving their business functions into the vacant commercial space |
| Real estate investment firms that intend to hold the property for investment purposes only                                   |
| Any business engaged in any illegal activity under federal, state, or local law  |
| Business who use the property for storage only   |
| An applicant who uses the space for residential uses   |
|  |

Table 2. Ineligibility Criteria for the Main Street Bounceback ProgramSource: Wisconsin Economic Development Corporation

To apply for the Main Street Bounceback Program, businesses were required to submit a standardized program application created by WEDC, a letter of acknowledgement from a municipal or economic development organization, documentation demonstrating proof of business, a W-9 Request for Taxpayer Identification form, and a copy of a fully executed deed, purchase contract, or 12-month lease for the property. The purpose of the acknowledgement letter was to obtain local review or verification of the business filling a vacant building prior to application review by East Central.

Once businesses submitted applications to East Central, applications were reviewed for completeness during an initial intake process. After the initial intake, ECWRPC staff conducted a second review of the application to ensure all program requirements were satisfied. East Central staff then contacted businesses whose applications made it through final review with a preliminary award notification. Typically, ECWRPC staff cut checks the following week and mailed them to businesses. ECWRPC staff typically averaged a 1-2-week turnaround from application submittal to award during the program period.

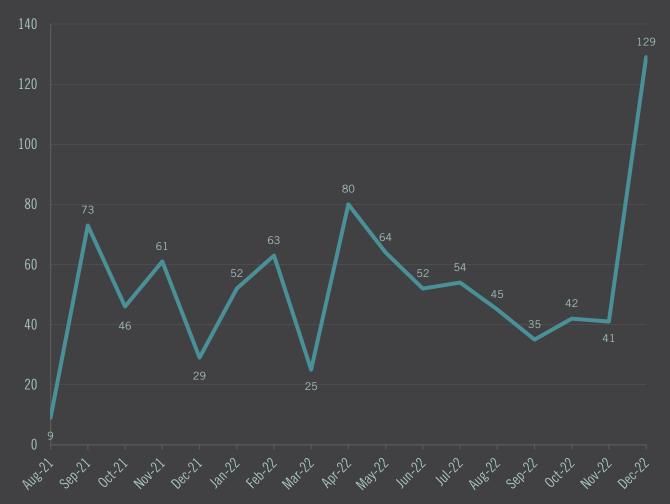
#### DATA ANALYSIS

The Main Street Bounceback Grants Program application required businesses to record data that is useful in analyzing the dynamics of the program. Businesses were prompted to record the date they were established, their business's organizational and location employment numbers, and whether their ownership is diverse with respect to the following categories: minority, women, veteran, disabled, and LGBT. Additionally, the application prompted businesses to describe how they intended to spend grant funds. The grant fund categories included lease payments, mortgage payments, business operating expenses, repairs and improvements, and other expenses. The application also requested the business's product/service and NAICS code. East Central staff monitored the data collected from businesses to gain insight into the profile of awardees. In addition to the data provided by businesses, ECWRPC analyzed program demand over time using the monthly rate of grant awards during the program.

It is important to note that some business applications included incomplete or inaccurate information. Other applicants misinterpreted application prompts and answered questions incorrectly, which hinders the usefulness of their data and in certain cases will be omitted. These omissions are relatively minor in nature and will be omitted from the following analysis.



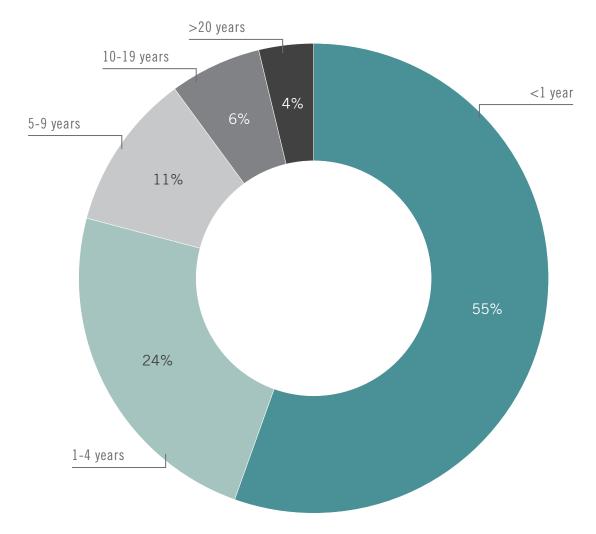
Grant award data shows significant variance in the rate of grant deployment throughout the 17-month duration of the Main Street Bounceback Grants Program. East Central awarded the lowest number of grants in the first month of the program with nine total awards. This is most attributable to the Main Street Bounceback Program being new and generally unknown. The highest amount of grants that East Central awarded occurred during the last month of the program, with 129 grants awarded in December, 2022. The number of awards in December, 2022 was significantly higher than the next highest month of April, 2022 when 80 grants were awarded. This is noteworthy because East Central did not have enough funding in December 2022 to distribute to all applicants who applied to the program. Overall, the rate of grant deployment varied significantly with East Central awarding an average of 53 grants per month.



NUMBER OF MSBB GRANTS BY MONTH AWARDED

Figure 2. Number of MSBB Grant Awards by Month in the East Central Wisconsin Region

#### DATA ANALYSIS AGE OF BUSINESSES



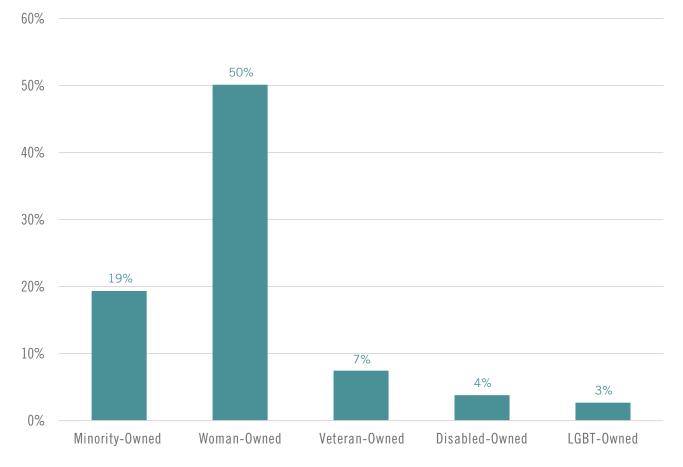
#### AGE CHARACTERISTICS OF MSBB AWARD RECIPIENTS

Figure 3. Age Characteristics of MSBB Recipients in the East Central Wisconsin Region

The Main Street Bounceback Grants Program supported new businesses as well as expansions of existing businesses with the underlying goal of filling vacant properties. Business age data from program applicants reveals that most businesses receiving a Main Street Bounceback grant in East Central Wisconsin were created less than five years ago. Figure 3 shows the breakdown of businesses receiving a Main Street Bounceback grant by the date of their establishment.

Over half of all businesses receiving a Main Street Bounceback grant were new businesses. Notably, 55% of recipients established their business within the prior year before applying to the Main Street Bounceback Grants Program in the East Central region. An additional 24% of applicants created their businesses between one and four years ago. Together, nearly 80% of businesses that obtained a grant were less than five years old. Age of business data shows the Main Street Bounceback Grants Program had a significantly positive impact on new or relatively new businesses.

#### DATA ANALYSIS OWNERSHIP CHARACTERISTICS



#### MSBB GRANT AWARDS BY OWNERSHIP CHARACTERISTICS

Figure 4. Ownership Characteristics of MSBB Recipients in the East Central Wisconsin Region

Ownership data reveals that slightly over half of businesses receiving Main Street Bounceback awards are women-owned ventures. Additionally, approximately 19% of businesses reported having minority ownership. The remaining three categories of veteran-owned, disabled-owned, and LGBT-owned businesses each represent less than 10% of grant awardees with veteran-owned businesses reporting the highest of those categories at around 7% or awardees.

According to the Small Business Administration, in 2019 only 13% of businesses in Wisconsin reported being minority-owned.<sup>1</sup> Therefore, minority-owned businesses appear to have received grants at a higher rate than expected. Additionally, the 2018 Annual Business Survey from the US Census reported only 20% of firms having women-ownership. This suggests that women-owned businesses in the East Central region received Main Street Bounceback grants to a significantly higher degree than the national ownership rate suggests.

<sup>1</sup> Gallagher, Shaun. "Responding to Inequalities: Lifting up minority small business owners in Wisconsin". WTMJ-TV (Milwaukee), June 3, 2020. Accessed February 23, 2023. <u>https://www.tmj4.com/news/local-news/responding-to-inequalities-lifting-up-minority-small-business-owners-in-wisconsin</u>

#### DATA ANALYSIS URBAN VS RURAL

The East Central Wisconsin region has a diverse mix of urban and rural development. The highly urbanized areas of Oshkosh, Fond du Lac, and the Fox Cities extend around Lake Winnebago, while rural communities are located throughout all 10 counties in the region. Location data demonstrates a proportional distribution of Main Street Bounceback grants in urban and rural areas. For example, 60% of recipient businesses are located in urban areas and 40% are located in rural areas, which is consistent with the distribution of all existing businesses in the region (61% are urban and 39% are rural according to ESRI Business Analyst, 2022).

The map in Figure 5 shows the locations of Main Street Bounceback recipient businesses in relation to the urbanized areas of East Central Wisconsin. The rural recipients are dispersed across the region with clustering in cities such as Shawano (36 grants), New London (19 grants), Berlin (18 grants), Princeton (17 grants), Waupaca (15 grants), Clintonville (14 grants), Ripon (14 grants), and Wautoma (14 grants).

#### MSBB RECIPIENTS IN URBAN & RURAL AREAS

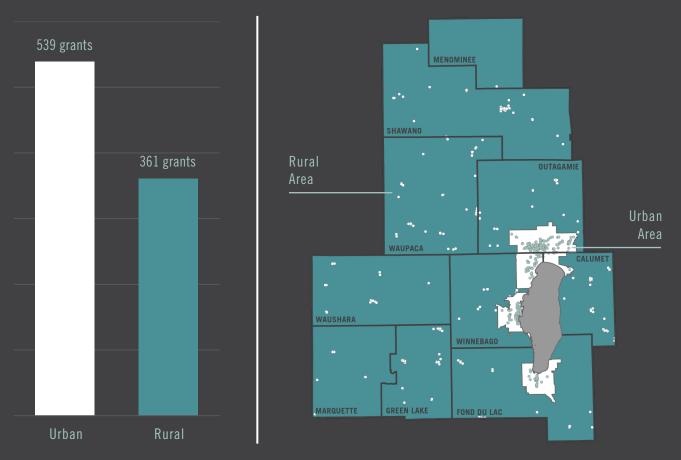


Figure 5. MSBB Recipients in Urban & Rural Areas in the East Central Wisconsin Region

#### CONCLUSION

The Wisconsin Main Street Bounceback Program provided a new incentive for businesses to fill vacant commercial and industrial buildings in Wisconsin. The program's results included making investments into Wisconsin's commercial and industrial building stock, occupying previously vacant buildings, and supporting new businesses and businesses with diverse ownership. Data from grant awards in the East Central region suggest that the program had strong but varying monthly demand and notable geographical distribution of awards in both urban and rural places. The award data also indicates that the program heavily supported new businesses as well as minority and women-owned businesses. The following pages of this report further analyze the final results of the regional Main Street Bounceback Program for each county in East Central Wisconsin.



# GEIGEAR DISTRICT

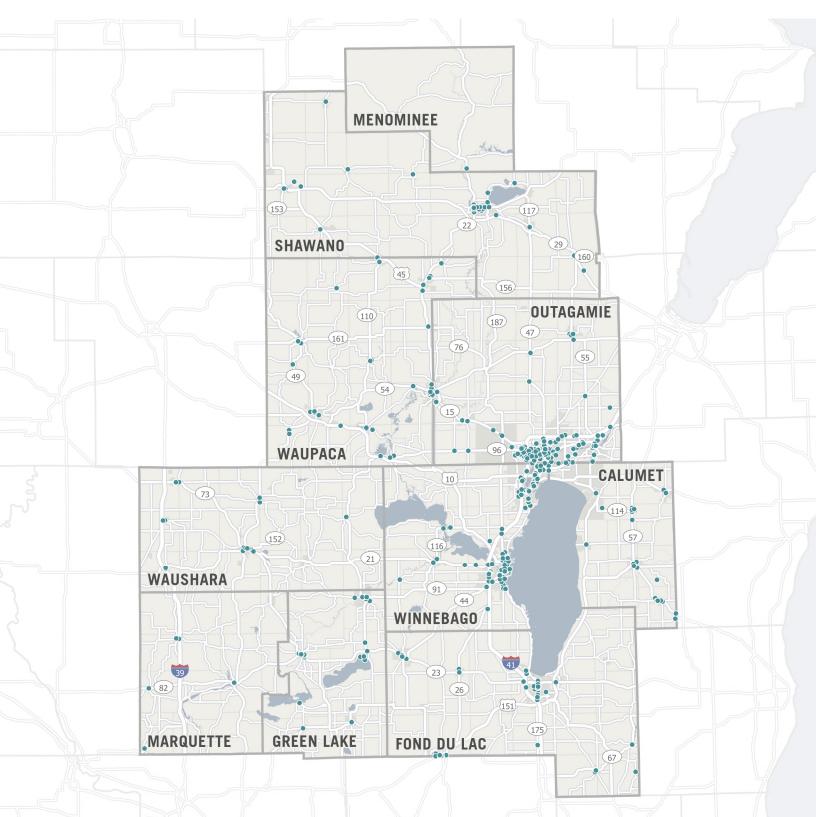
# MAIN STREET BOUNCEBACK GRANT PROGRAM

DATA BY COUNTY

Cellar District in Fond du Lac, Wl Source: Cellar District

## MAIN STREET BOUNCEBACK EAST CENTRAL WI

#### LOCATIONS OF RECIPIENT BUSINESSES

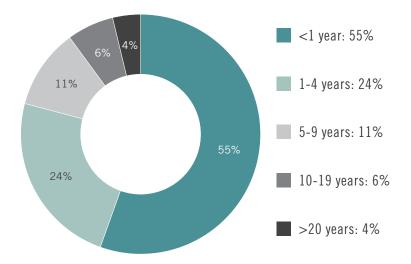


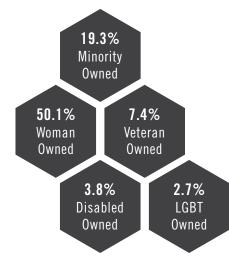
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## MAIN STREET BOUNCEBACK EAST CENTRAL WI

#### AGE OF RECIPIENT BUSINESSES







#### EAST CENTRAL WI QUICK FACTS





Total funds administered



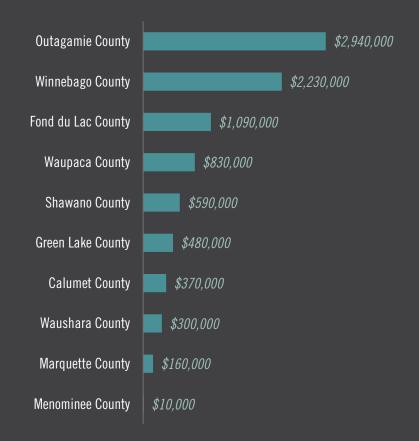
RETAIL TRADE Top business industry



LEASE OR MORTGAGE PAYMENTS Top grant expenditure

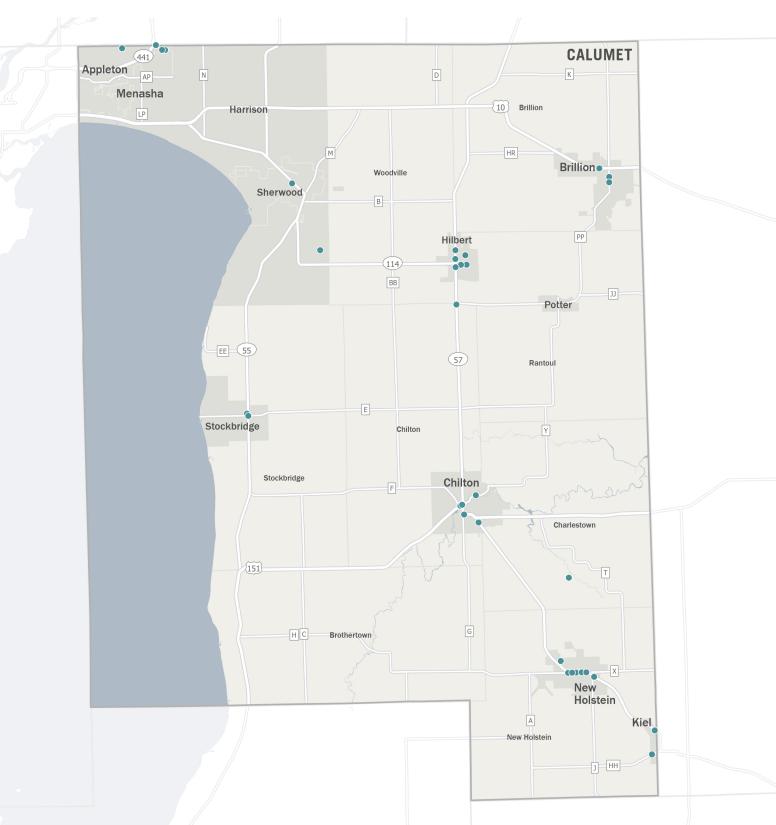
<1 YEAR Median age of business

#### GRANT FUNDS ADMINISTERED BY COUNTY



## MAIN STREET BOUNCEBACK CALUMET COUNTY

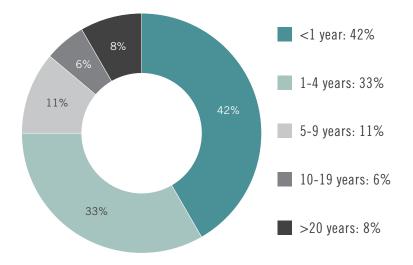
#### LOCATIONS OF RECIPIENT BUSINESSES



## MAIN STREET BOUNCEBACK CALUMET COUNTY

#### AGE OF RECIPIENT BUSINESSES





# 11.6%<br/>Minority<br/>Owned55.5%<br/>Woman<br/>Owned1.4%<br/>Disabled<br/>Owned1.4%<br/>Disabled<br/>Owned

#### CALUMET COUNTY QUICK FACTS



*\$370,000* Total funds administered



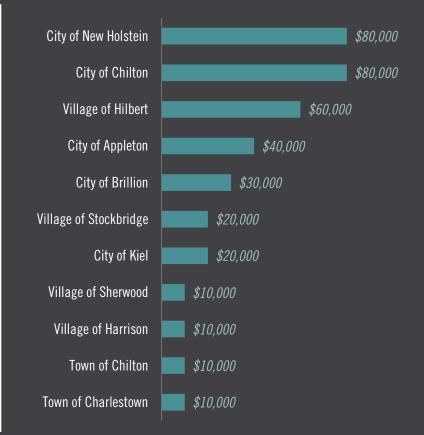
ACCOMMODATION & FOOD SERVICES Top business industry



BUSINESS OPERATING EXPENSES Top grant expenditure

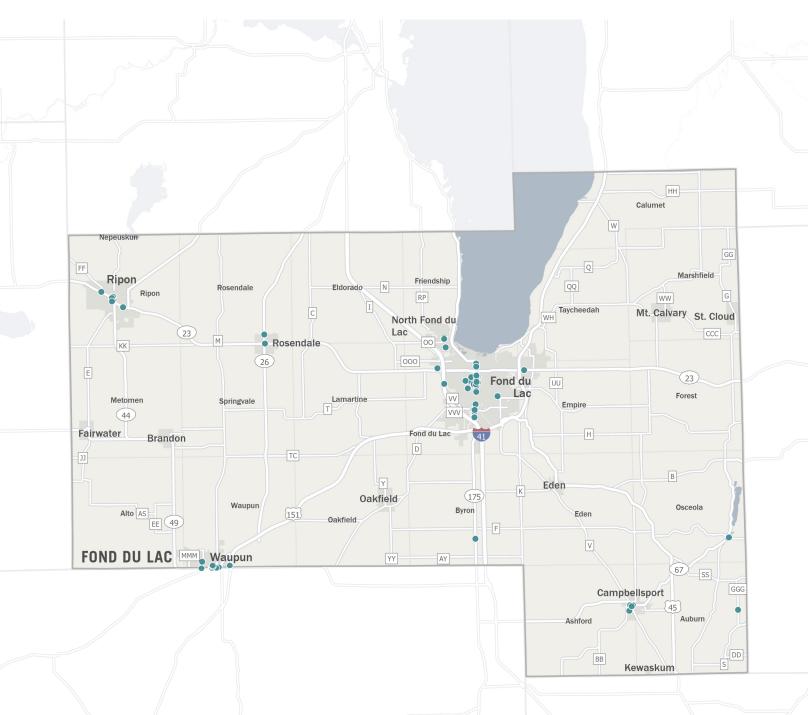


*1 YEAR* Median age of businesses



## MAIN STREET BOUNCEBACK FOND DU LAC COUNTY

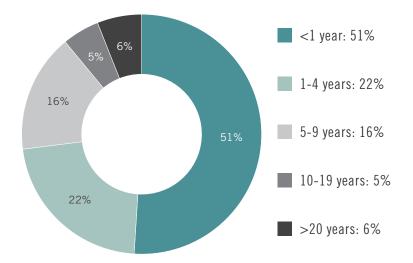
#### LOCATIONS OF RECIPIENT BUSINESSES

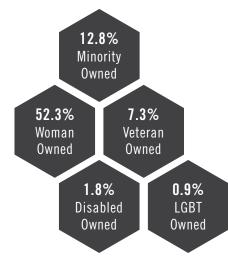


## MAIN STREET BOUNCEBACK FOND DU LAC COUNTY

#### AGE OF RECIPIENT BUSINESSES







#### FOND DU LAC COUNTY QUICK FACTS



*109* Total grants awarded

*\$1,090,000* Total funds administered



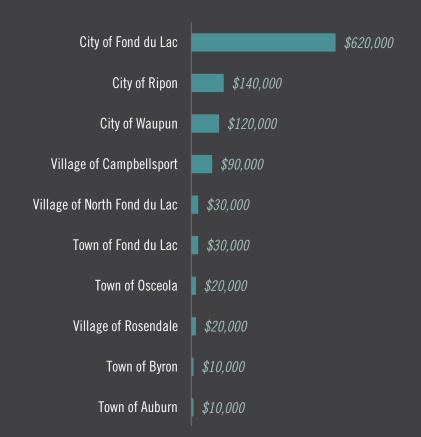
**RETAIL TRADE** Top business industry



LEASE OR MORTGAGE PAYMENTS Top grant expenditure

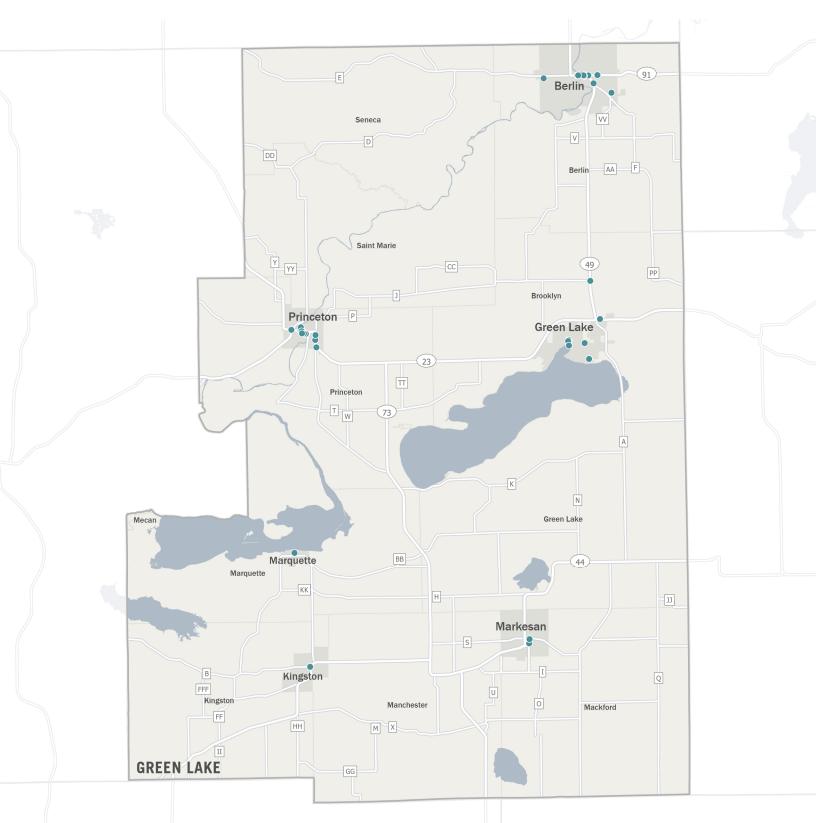


<1 YEAR Median age of businesses



## MAIN STREET BOUNCEBACK GREEN LAKE COUNTY

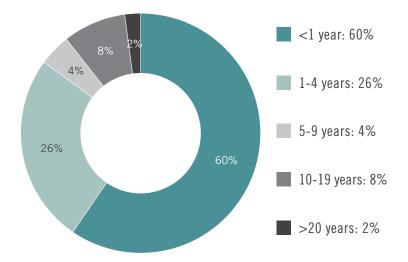
#### LOCATIONS OF RECIPIENT BUSINESSES

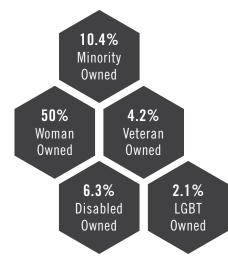


## MAIN STREET BOUNCEBACK GREEN LAKE COUNTY

#### AGE OF RECIPIENT BUSINESSES







#### GREEN LAKE COUNTY QUICK FACTS







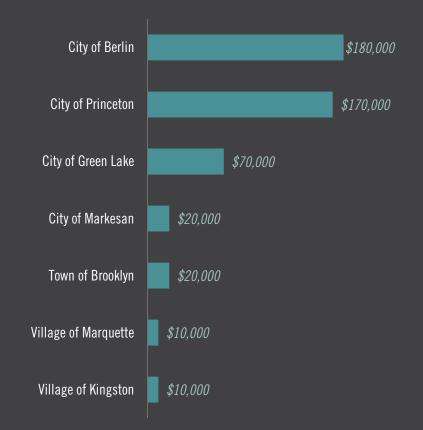
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**RETAIL TRADE** Top business industry



BUSINESS OPERATING EXPENSES Top grant expenditure

<1 YEAR
Median age of businesses</pre>



## MAIN STREET BOUNCEBACK MARQUETTE COUNTY

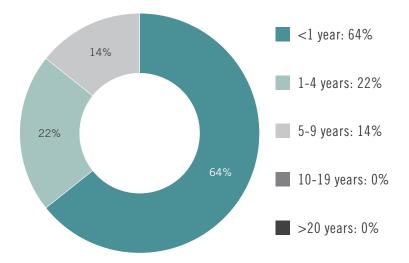
#### LOCATIONS OF RECIPIENT BUSINESSES

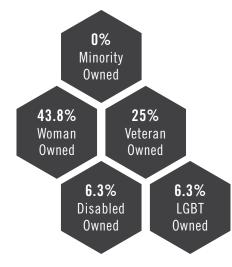


## MAIN STREET BOUNCEBACK MARQUETTE COUNTY

#### AGE OF RECIPIENT BUSINESSES







#### MARQUETTE COUNTY QUICK FACTS

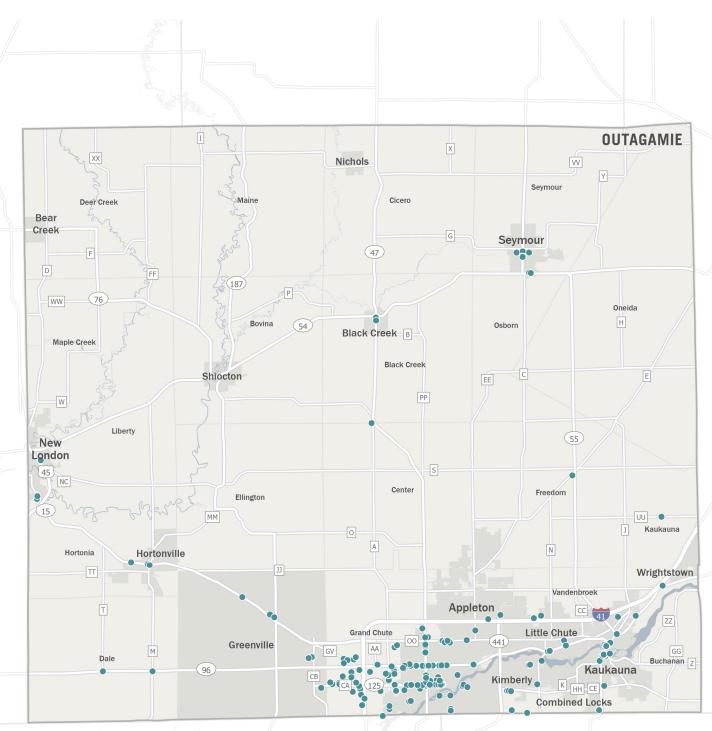


Median age of businesses



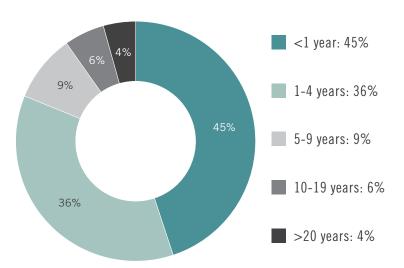
## MAIN STREET BOUNCEBACK OUTAGAMIE COUNTY

#### LOCATIONS OF RECIPIENT BUSINESSES

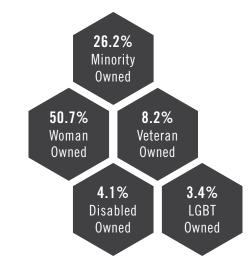


## MAIN STREET BOUNCEBACK OUTAGAMIE COUNTY

#### AGE OF RECIPIENT BUSINESSES



#### *DEMOGRAPHICS OF RECIPIENT BUSINESSES*



#### OUTAGAMIE COUNTY QUICK FACTS



**294** Total grants awarded



*\$2,940,000* Total funds administered



**RETAIL TRADE** Top business industry



LEASE OR MORTGAGE PAYMENTS Top grant expenditure

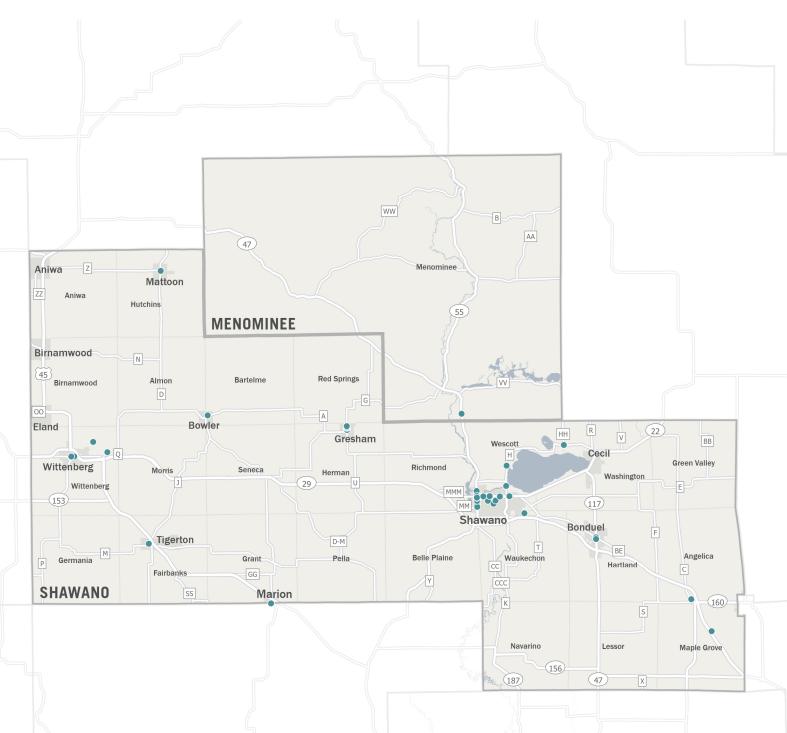


*1 YEAR* Median age of businesses



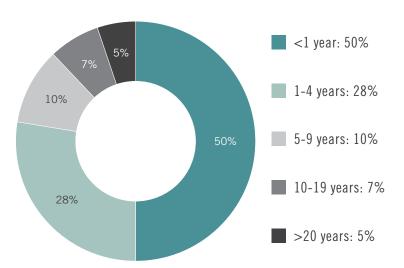
# Shawano County &<br/>MAIN STREET BOUNCEBACKShawano County &<br/>MENOMINEE COUNTY

#### LOCATIONS OF RECIPIENT BUSINESSES

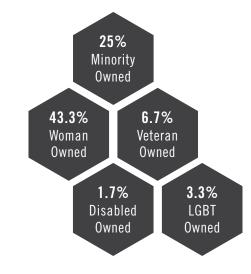


### SHAWANO COUNTY & MAIN STREET BOUNCEBACK MENOMINEE COUNTY

#### AGE OF RECIPIENT BUSINESSES



#### DEMOGRAPHICS OF RECIPIENT **BUSINESSES**



#### SHAWANO COUNTY & MENOMINEE COUNTY QUICK FACTS

Total grants awarded

Total funds administered

RETAIL TRADE Top business industry

**EXPENSES** 

Top grant expenditure

\$600,000

60

#### GRANT FUNDS ADMINISTERED BY MUNICIPALITY

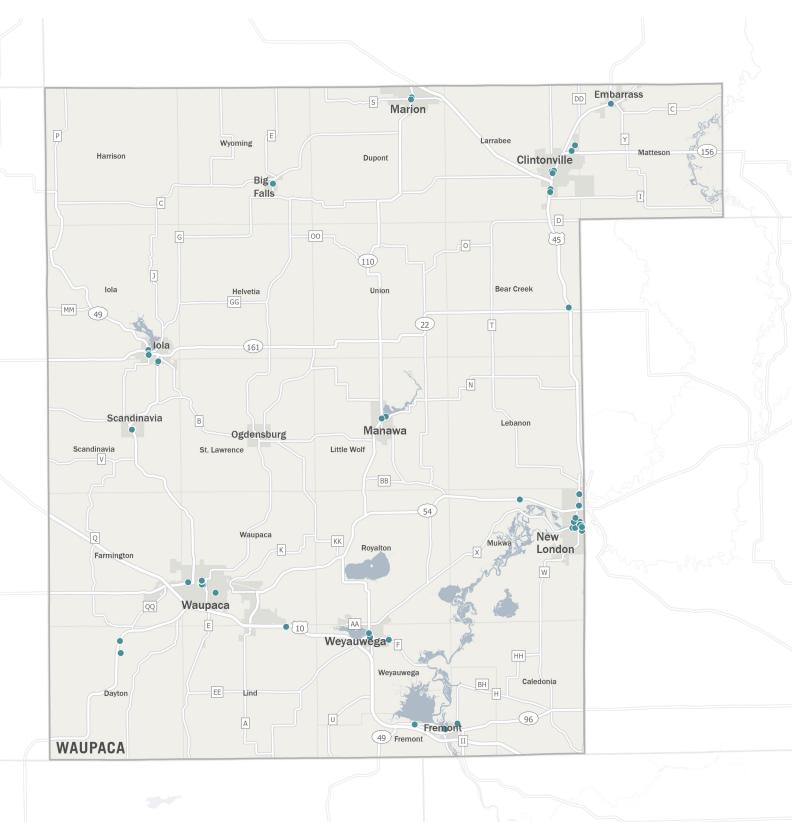


<1 YEAR Median age of businesses

1

## MAIN STREET BOUNCEBACK WAUPACA COUNTY

#### LOCATIONS OF RECIPIENT BUSINESSES

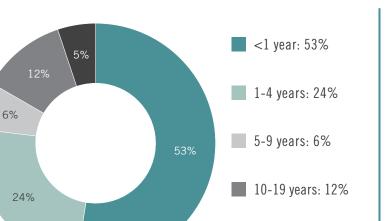


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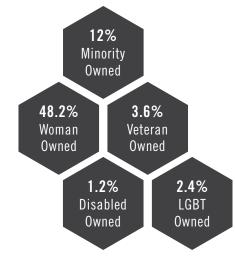
## MAIN STREET BOUNCEBACK WAUPACA COUNTY

>20 years: 5%

#### AGE OF RECIPIENT BUSINESSES



#### DEMOGRAPHICS OF RECIPIENT **BUSINESSES**



#### WAUPACA COUNTY QUICK FACTS

83

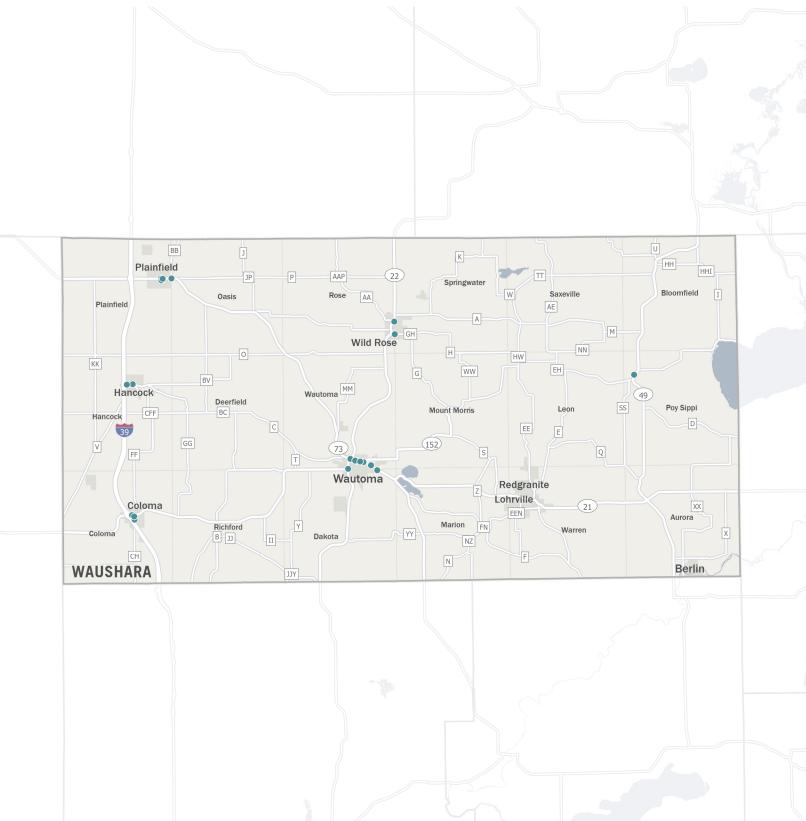
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## MAIN STREET BOUNCEBACK WAUSHARA COUNTY

#### LOCATIONS OF RECIPIENT BUSINESSES

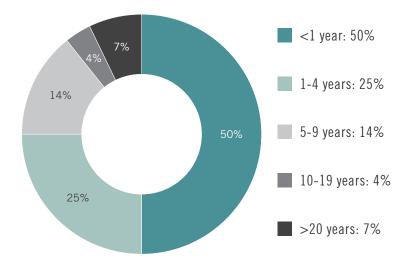


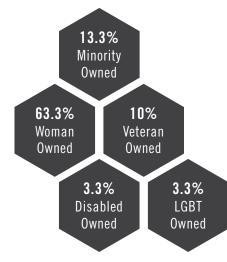
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## MAIN STREET BOUNCEBACK WAUSHARA COUNTY

#### AGE OF RECIPIENT BUSINESSES







#### WASHARA COUNTY QUICK FACTS





**RETAIL TRADE** Top business industry



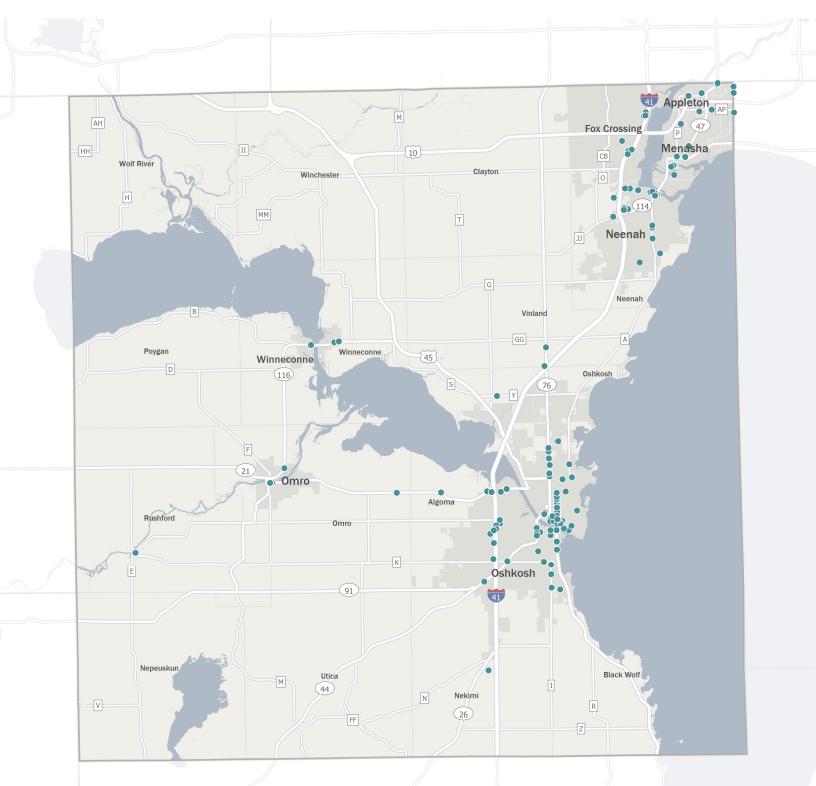
LEASE OR MORTGAGE PAYMENTS Top grant expenditure

<1 YEAR
Median age of businesses</pre>



## MAIN STREET BOUNCEBACK WINNEBAGO COUNTY

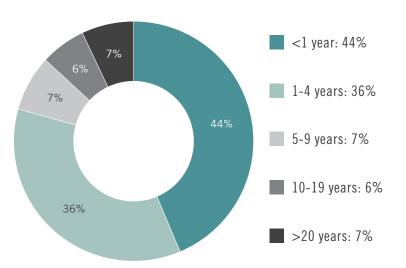
#### LOCATIONS OF RECIPIENT BUSINESSES



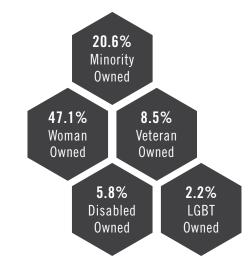
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## MAIN STREET BOUNCEBACK WINNEBAGO COUNTY

#### AGE OF RECIPIENT BUSINESSES



#### DEMOGRAPHICS OF RECIPIENT BUSINESSES



#### WINNEBAGO COUNTY QUICK FACTS







**RETAIL TRADE** Top business industry



LEASE OR MORTGAGE PAYMENTS Top grant expenditure



*1 YEAR* Median age of businesses





Clothing Home Decor Homemade Goods

The Blend in Shawano, WI







