

FOR IMMEDIATE RELEASE
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1,434 Small Businesses Across Southwest Michigan Receive Michigan Small Business Restart Grants

Kalamazoo, Michigan – Southwest Michigan First, the regional economic development catalyst based in Kalamazoo, Michigan, today announced 1,434 small business recipients are receiving average grant awards of \$5,000 each as part of the state’s [Michigan Small Business Restart Program](#). Grants must be used for expenditures made between March 1, 2020 and December 30, 2020 for necessary disbursements incurred due to the public health emergency with respect to COVID-19 and/or working capital to support payroll expenses, rent, mortgage payments, utility expenses, costs related to reopening a business or nonprofit, or other uses authorized under the CARES Act.

This funding is made possible by the Michigan Economic Development Corporation’s release of \$100 million from the Michigan Strategic Fund (MSF). Back in early July, the MSF authorized distribution of the funding across 15 local or nonprofit economic development organizations (EDOs) covering all 83 counties in the state providing a base amount of \$3.5 million per EDO to support certain small businesses that have realized a significant financial hardship as a result of the COVID-19 virus. At the time Governor Gretchen Whitmer said, “We can further our economic recovery in Michigan by putting federal dollars through the CARES Act to work for the people and businesses across our state through efforts like these grants.”

Locally, Southwest Michigan First was allocated more than \$7 million to split among qualifying small businesses and nonprofits throughout the seven-county region it serves—Berrien, Branch, Cass, Calhoun, Kalamazoo, St. Joseph and Van Buren counties. Additionally, this allocation required that 30 percent of the funds be awarded to minority-, woman- or veteran-owned eligible businesses. Applications totaling 2,258 were received and reviewed against scoring criteria including the business have 50 or less employees, can demonstrate it is affected by the COVID-19 emergency, needs working capital to support eligible expenses, and demonstrates an income loss as a result of the pandemic. After review, 60 percent of the funds were awarded to minority-, woman- or veteran-owned eligible businesses with the remaining amount split between area nonprofits and for-profit businesses.

“This program puts federal funding to work for small businesses in Michigan hardest hit by the impact of COVID-19 helping to ensure they can keep their doors open and put critical protections in place for their workers and their customers,” said Governor Gretchen Whitmer. “Families across the state depend

on small businesses for their livelihood, and the Michigan Small Business Restart Program will build on additional COVID-19 business relief efforts through the MEDC to create a strong foundation for Michigan's long-term economic recovery."

Southwest Michigan First CEO and Senior Partner Ron Kitchens cannot remember a time that funding was more critically needed in his career. "The pandemic has intensified the importance of jobs to local economies, peoples' livelihoods and their sense of well-being. Only by protecting our small businesses can we ensure the ability of all to grow and prosper," said Kitchens. "The State of Michigan and Michigan Economic Development Corporation have done an excellent job of developing a suite of financial assistance options, like the Michigan Small Business Restart Program, to keep the doors of small businesses open. We thank everyone who participated in this process. The impact we are having could not have been made without our partners at the MEDC and MSF, other Southwest Michigan EDOs, and in particular, Governor Whitmer."

The grant promises to make a lasting impact on local recipients. At [Mamaleelu Cold Brew](#), a minority- and woman-owned producer of cold brew coffee based in Kalamazoo, Michigan, founder Maliesha Pullano said, "The impact that the Michigan Small Business Restart Grant will have on my business will be to act as a space holder in which creativity and innovation can lead the restart, instead of having to make decisions out of fear."

At [Crown Trophy #104](#) in Portage, Michigan, co-owners Marie and Dennis Marsh said jointly, "We are honored to be chosen for this grant. Receiving this grant will help us to continue to provide quality awards to Southwest Michigan, along with upgrading our equipment to provide custom designed face masks." The local shop offering service and recognition awards and gifts was [also honored recently](#) by Congressman Fred Upton for its efforts in supplying masks and mask buckles for essential workers during the early critical stages of the pandemic and beyond.

Many of the businesses receiving awards were forced to change their business model to adapt to survive. [Fresh Perspective Home Care](#) in Portage, Michigan is known for providing its clients with honest and compassionate care in the comfort of their own home with a focus on privacy, dignity and well-being. "The COVID-19 epidemic has challenged us both financially and operationally. We have made core changes to our hiring, training and home care service practices in order to support social distancing. This grant will help support the additional costs associated with these improvements and ensure Fresh Perspective Home Care will continue to provide the highest level of compassionate care," said Michael A. Beckett, CPA, president and chief financial officer.

"We congratulate the recipients receiving allocations from this program. At Southwest Michigan First, we believe that the greatest force for change is a job, and we thank today's recipients for keeping as many people employed as possible during this unprecedented time. We truly wish we could have supported all requests, but demand outnumbered our available pool of money 6:1," continued Kitchens. "But there's more that can be done—that everyone can do. We all must shop and eat local during this time and support these small businesses that make our region a remarkable place in which to live and work."

About Southwest Michigan First

Founded in 1999 on the principle that the greatest force for change is a job, Southwest Michigan First is an organization of privately funded economic development advisors who act as the catalyst for economic growth in Southwest Michigan. For more information about Southwest Michigan First, please visit us at www.southwestmichiganfirst.com, or call 269.553.9588.



MORE THAN \$7 MILLION GOES TO SOUTHWEST MICHIGAN SMALL BUSINESSES

MICHIGAN SMALL BUSINESS RESTART GRANTS PROVIDE MUCH NEEDED SUPPORT

On July 7, 2020, the Michigan Economic Development Corporation (MEDC) announced the Michigan Strategic Fund (MSF) approved \$100 million of federal CARES Act funding to implement the Michigan Small Business Restart Program in support of Michigan small businesses affected by COVID-19.

The MSF authorized distribution of the funding across 15 local or nonprofit economic development organizations (EDOs) covering all 83 counties in the state to support small businesses that have realized a significant financial hardship as a result of the pandemic.

Locally, Southwest Michigan First was allocated more than \$7 million to split among qualifying small businesses and nonprofits throughout the seven-county region it serves—Berrien, Branch, Cass, Calhoun, Kalamazoo, St. Joseph and Van Buren. Additionally, this allocation required that 30 percent of the funds be awarded to minority-, woman- or veteran-owned eligible businesses. **On September 8, Southwest Michigan First announced decisions of the application review to applicants.**

southwest michigan  first
THE GREATEST FORCE FOR CHANGE IS A JOB

BY THE NUMBERS

2,258 SMALL BUSINESSES APPLIED...



...1,434 RECEIVED A GRANT.



A TOTAL OF **\$7M+** IN GRANT FUNDING WAS AWARDED...



...FOR AN AVERAGE GRANT OF **\$5,000**.

60% OF MINORITY-, WOMAN-, OR VETERAN-OWNED BUSINESSES RECEIVED FUNDING.

HERE'S HOW SMALL BUSINESS QUALIFICATION WORKED:



Funding during this time is critical to small businesses and the need is great. Other grant award programs like the Michigan Small Business Relief Grant were reviewed and feedback from local businesses owners solicited to identify what a meaningful average grant award amount would be.

A thoughtful review by the team at Southwest Michigan First determined that, on average, \$5,000 would be most impactful amount to a business and allow for the greatest number of businesses to be served.



Applications were scored against MEDC guidelines requiring businesses to:

- Have 50 or less employees
- Be a business or nonprofit demonstrating it is affected by the COVID-19 pandemic
- Need working capital to support eligible expenses
- Demonstrate an income loss as result of the COVID-19 emergency



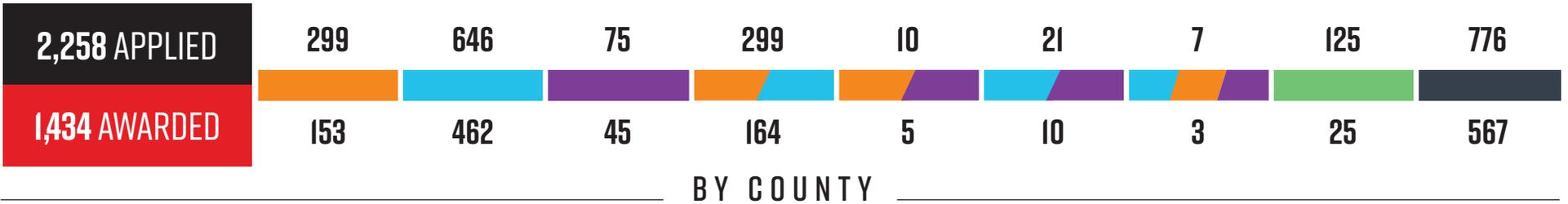
Southwest Michigan companies were further evaluated for community impact against these criteria:

- Minority-, woman- or veteran-owned business
- For-profit entity
- Employment size (1-5, 6-11, 12-30, 30-50)
- Average wage greater than \$30,000
- Not-for-profit serving racial/ethnic minorities, community/economic development, subsidized housing, entertainment, or child/elder day care
- In operation three or more years
- Operating in the manufacturing, personal care, food service or day care sectors

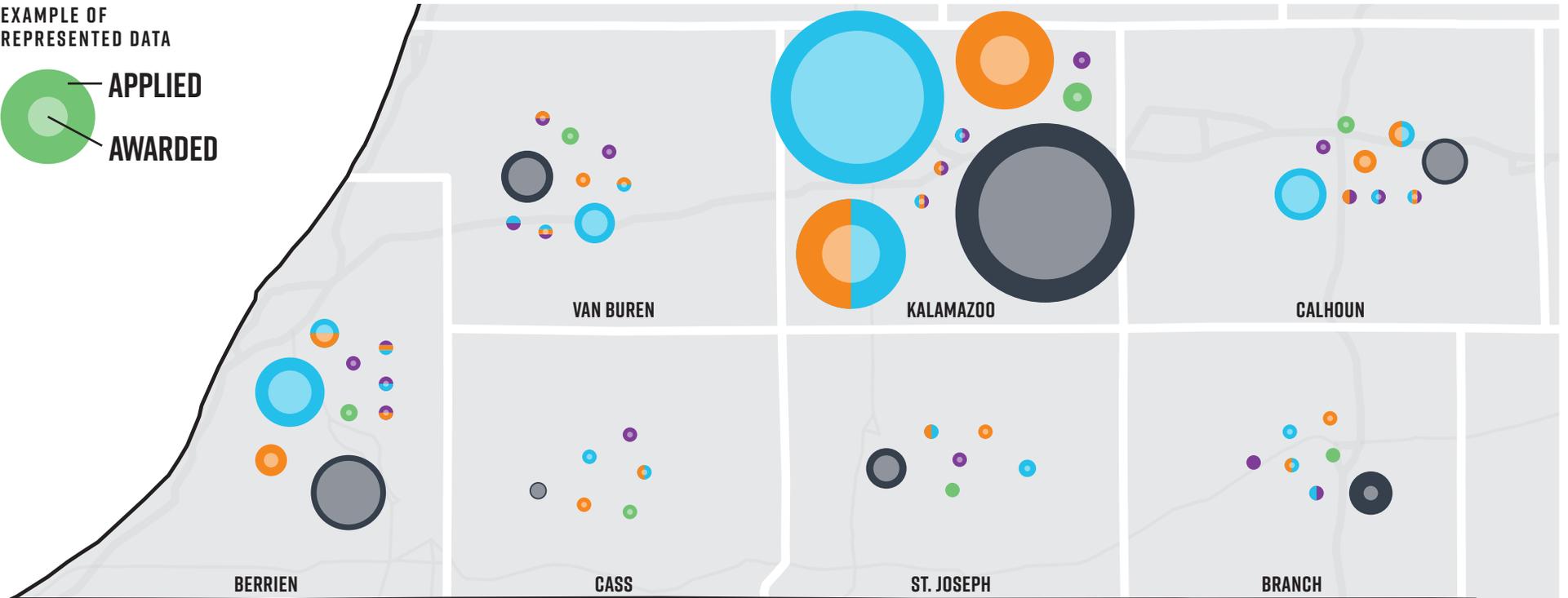
RESTART GRANT TIMELINE



HERE'S HOW IT ALL BROKE DOWN BY BUSINESS TYPE:



EXAMPLE OF REPRESENTED DATA



	BERRIEN	BRANCH	CALHOUN	CASS	KALAMAZOO	ST. JOSEPH	VAN BUREN
PERCENTAGE OF TOTAL APPLICANTS	18%	5%	13%	3%	47%	5%	9%
PERCENTAGE OF TOTAL AWARDEES	18%	3%	13%	3%	48%	6%	9%

HERE'S HOW AWARDS WERE DETERMINED:



FIRST, TOP SCORERS IN THE MINORITY-, WOMAN- OR VETERAN-OWNED BUSINESS CATEGORY WERE AWARDED 30% OF AVAILABLE FUNDING.



IF A MINORITY-, WOMAN- OR VETERAN-OWNED BUSINESS DID NOT RECEIVE FUNDING DURING THE FIRST REVIEW, THEY WERE GIVEN A SECOND CHANCE AND ADDED TO THE POOL OF ALL OTHER BUSINESSES THAT APPLIED.



LASTLY, FROM THAT REMAINING POOL OF ALL OTHER BUSINESSES, TOP SCORERS RECEIVED REMAINING FUND DOLLARS.

WHAT PEOPLE ARE SAYING

" We are honored to be chosen for this grant. Receiving this grant will help us to continue to provide quality awards to Southwest Michigan, along with upgrading our equipment to provide custom designed face masks."

MARIE & DENNIS MARSH
CROWN TROPHY #104 | PORTAGE, MI

" The COVID-19 epidemic has challenged us both financially and operationally. We have made core changes to our hiring, training, and home care service practices in order to support social distancing. This grant will help support the additional costs associated with these improvements and ensure Fresh Perspective Home Care will continue to provide the highest level of compassionate care."

MICHAEL A. BECKETT, CPA
FRESH PERSPECTIVE HOME CARE | PORTAGE, MI

" The impact that the Michigan Small Business Restart Grant will have on my business will be to act as a space holder in which creativity and innovation can lead the restart, instead of having to make decisions out of fear."

MALIESHA PULLANO
MAMALEELU COLD BREW | KALAMAZOO, MI

FOR MORE INFORMATION,
REACH OUT TO **269.553.9588** OR
INFO@SOUTHWESTMICHIGANFIRST.COM.

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