

March 2024 District Rollout



Mayor Brandon Johnson

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- Grant Parameters

➤ Getting Started:

- Is my business/property in a SBIF District?
- Which SBIF Districts are Open or On Deck?
- What are the SBIF Program Rules?
- How do I apply?
- What resources are available to help?

➤ March Rollout Info & Sample Project

➤ SBIF FAQs

➤ Additional Q&A

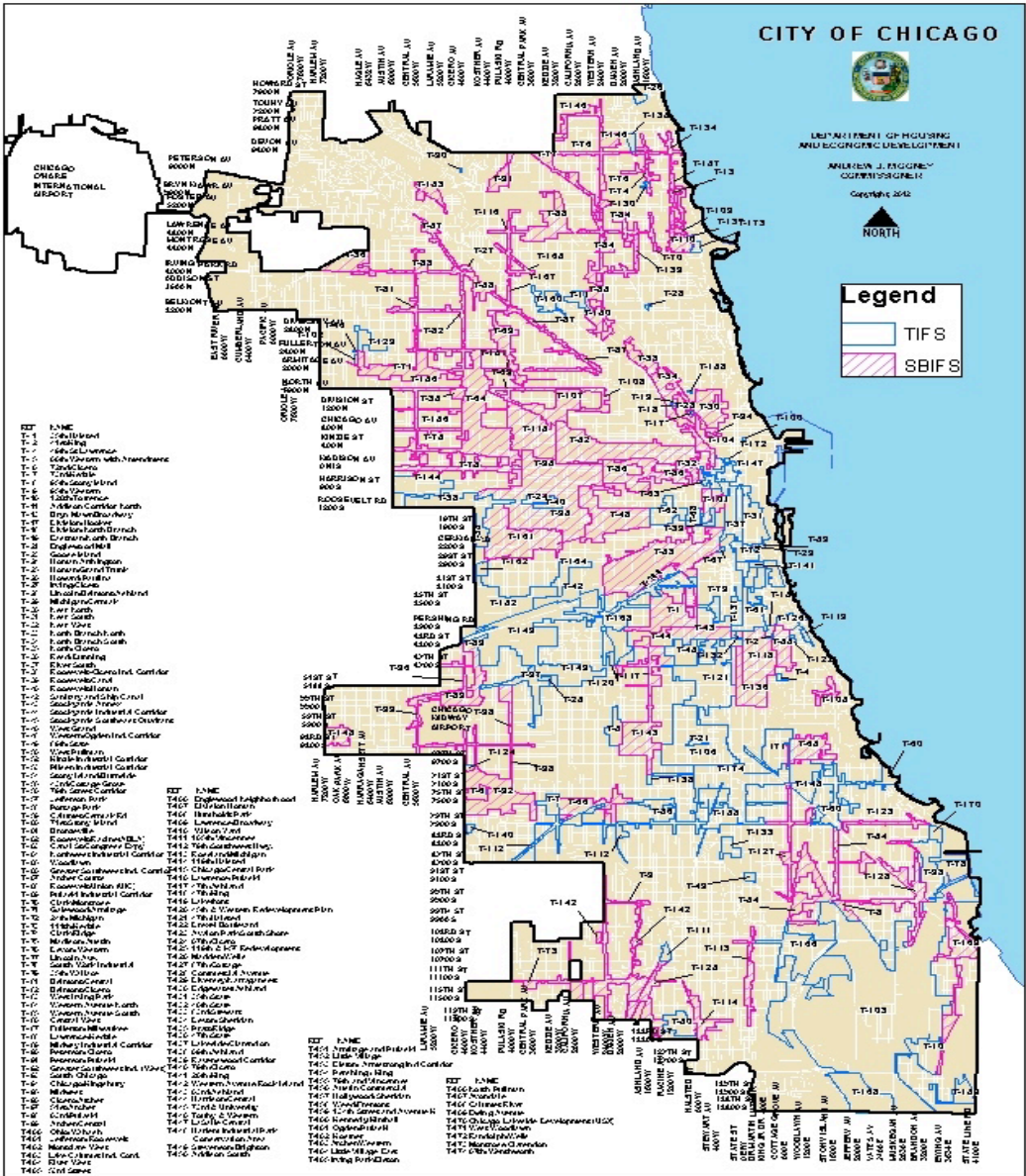


What is SBIF: Program Mission



Launched in 1999, the City of Chicago’s Small Business Improvement Fund (SBIF) promotes economic development by providing small businesses and landlords with **reimbursement grants for permanent building improvement costs**. Residential projects are not eligible.

SBIF grants use local Tax Increment Financing (TIF) revenue to reimburse grantees for the pre-approved repair or rehab of their business facilities or adjacent land acquisition. SomerCor is the program administrator contracted by the Chicago Department of Planning and Development.



Eligible Applicants:

- **Property must be in a TIF district where SBIF funds are available and the SBIF is authorized to accept applications**
- **Landlords** - commercial or industrial properties
- **Business owners** – commercial or industrial – who own or lease their places of business
- **Tenants** with prior written approval from property owner
- **Start-ups** may apply with a business plan

* A current Chicago business license is required

ELIGIBILITY LIMITS

Commercial Tenant or Owner-Occupied*

Ave. \$9M or less gross sales per year

Landlord - Commercial or Industrial

\$9M or less cumulative net worth and \$500K liquid assets max per individual

Industrial Tenant or Owner-Occupied*

200 or fewer full-time employees

*All owner-occupied properties are subject to both tenant and landlord requirements.

The maximum grant amount allowed under SBIF:

- \$250,000 maximum per industrial property
- \$150,000 maximum per single owner/tenant commercial property or landlord
- \$250,000 maximum may be granted per multiple owner/tenant commercial property, with \$75,000 maximum assistance per tenant/landlord

Applicants may receive one or more grants up to their maximum program assistance. Once this maximum is reached, the applicants will need to wait three years to reapply.

Percent of eligible project costs that can be reimbursed:

Commercial	
\$0-\$3 million in sales or net worth	90% of eligible costs
\$3-6 million in sales or net worth	60% of eligible costs
\$6-\$9 million in sales or net worth	30% of eligible costs
Industrial	
All Industrial Projects	50% of eligible costs

SBIF Grant Calculation Example:

Grace submits an application for a SBIF grant in an open district **with a total eligible project cost of \$100,000**. She is proposing to make **permanent building improvements to her existing** retail shop, for which **she is the tenant**. **Grace has been in business for 5 years**. **Over the last 3 years, her gross sales averaged \$1.5 million**.

Her breakdown of eligible costs is as follows:

Total Eligible Project Costs: \$100,000

Commercial Tenant Applicant/ gross sales under \$3M= 90% SBIF Grant

City responsibility (90%): \$90,000

Applicant responsibility (10%): \$10,000

The SBIF program is a reimbursement grant, so project participants should be prepared with financing to support the permanent building improvements upfront.



What is SBIF: Grant Parameters



The SBIF program is a reimbursement grant, so project participants should be prepared with financing to support the cost of the permanent building improvements.

Applicants are encouraged to contact their business lender or reach out to one of the lenders listed on the SomerCor website in a timely manner.

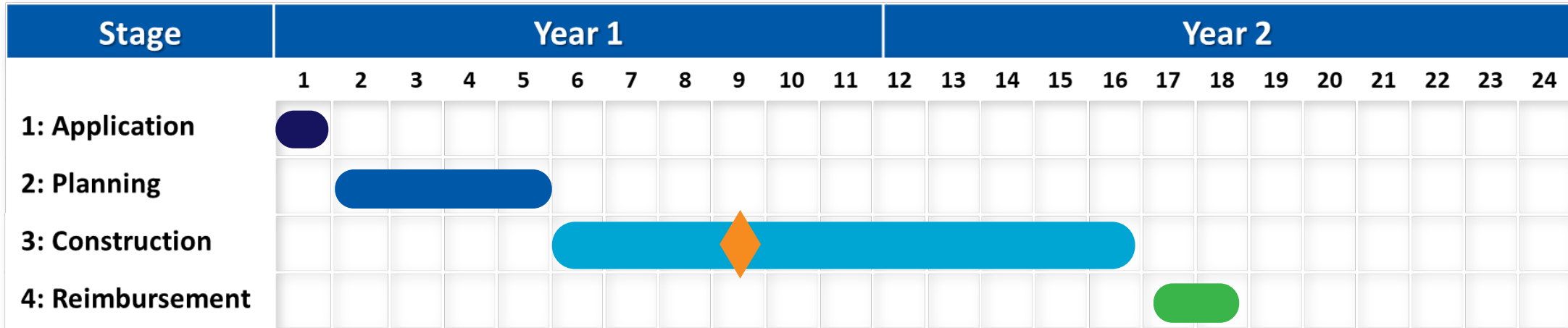
Grantees may choose to complete their projects in phases, rather than requiring 100% of the upfront costs of the project. To participate, grantees must receive an approval for the full scope of work and the phase work schedule.

Construction timing will be completed based on necessity and contractor's recommendations. Receiving phase disbursements will be based on progress or completion of eligible construction work.

Phasing Example:

SBIF Phasing Example	
Approved Scope of work:	complete roof tear-off, HVAC system, and façade renovations
Contract price:	\$180,000.00
SBIF Grant Approval at 90% reimbursement :	\$150,000.00
Phase I	
Scope of work:	Roofing
Contract price:	\$60,000.00
Eligible Grant Amount 90%:	\$54,000.00
Grant Request Phase I:	\$54,000.00
Grant Amount Reserved: (\$150,000 minus phase I, \$54,000):	\$96,000.00
Phase II	
Scope of work:	HVAC System
Contract price:	\$40,000.00
Eligible Grant Amount 90%:	\$36,000.00
Grant Request Phase II:	\$36,000.00
Grant Amount Reserved: (\$150,000 minus phase I (\$54k) & phase II (\$36k):	\$60,000.00
Phase III	
Scope of work:	Façade renovation
Contract price:	\$80,000.00
Eligible Grant Amount 90% (\$150k minus phase I & II, not to exceed \$150k):	\$60,000.00
Grant Request Phase III:	\$60,000.00
Grant Amount Reserved:	\$0.00

SBIF Project Timeline



Stage 1: Applicant Eligibility Review – Applications completed/tenant applicants prove site control: up to 20 days

Stage 2: Project Eligibility Review - Plans, bids, and specs, are obtained, debts are cured: up to 120 days

Stage 3: Project Construction – Once approved by DPD, applicants receive a Conditional Commitment letter and construction can begin. Concurrently, proof of permit or permit must be submitted within 120 days following the date of the commitment letter: up to 10 months

Stage 3.4: Proof of Financing – Applicant provides proof funds: up to 120 days following the date of the commitment letter

Stage 4: Reimbursement – Payment documentation – including sworn statement, invoices, cancelled checks, waivers of lien – are sent to SomerCor for review. After a final site visit and processing of documents, the reimbursement check will be delivered: 4-6 weeks

Unless DPD has granted an extension, applicants who do not complete each stage within the required phase time limit will be disqualified and removed from the program.

Getting Started: Is my business/property in a SBIF District?



Visit www.somercor.com/sbif to see if your property is in a SBIF district:



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SBIF

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GET STARTED:

Are you in an **Open District** and ready to apply for a SBIF Grant? Review the Program Guidelines below, fill out a SBIF Application, and email it to sbif@somercor.com



1) Confirm your business
is in a SBIF District



2) Check which SBIF
Districts are Open



3) Review SBIF Eligibility
Requirements



4) Review SBIF Program
Rules



[CLICK HERE TO COMPLETE SBIF APPLICATION](#)

Getting Started: Is my business/property in a SBIF District?



SBIF Locator Tool

Enter Address

Small Business Improvement Fund


Department of Planning and Development

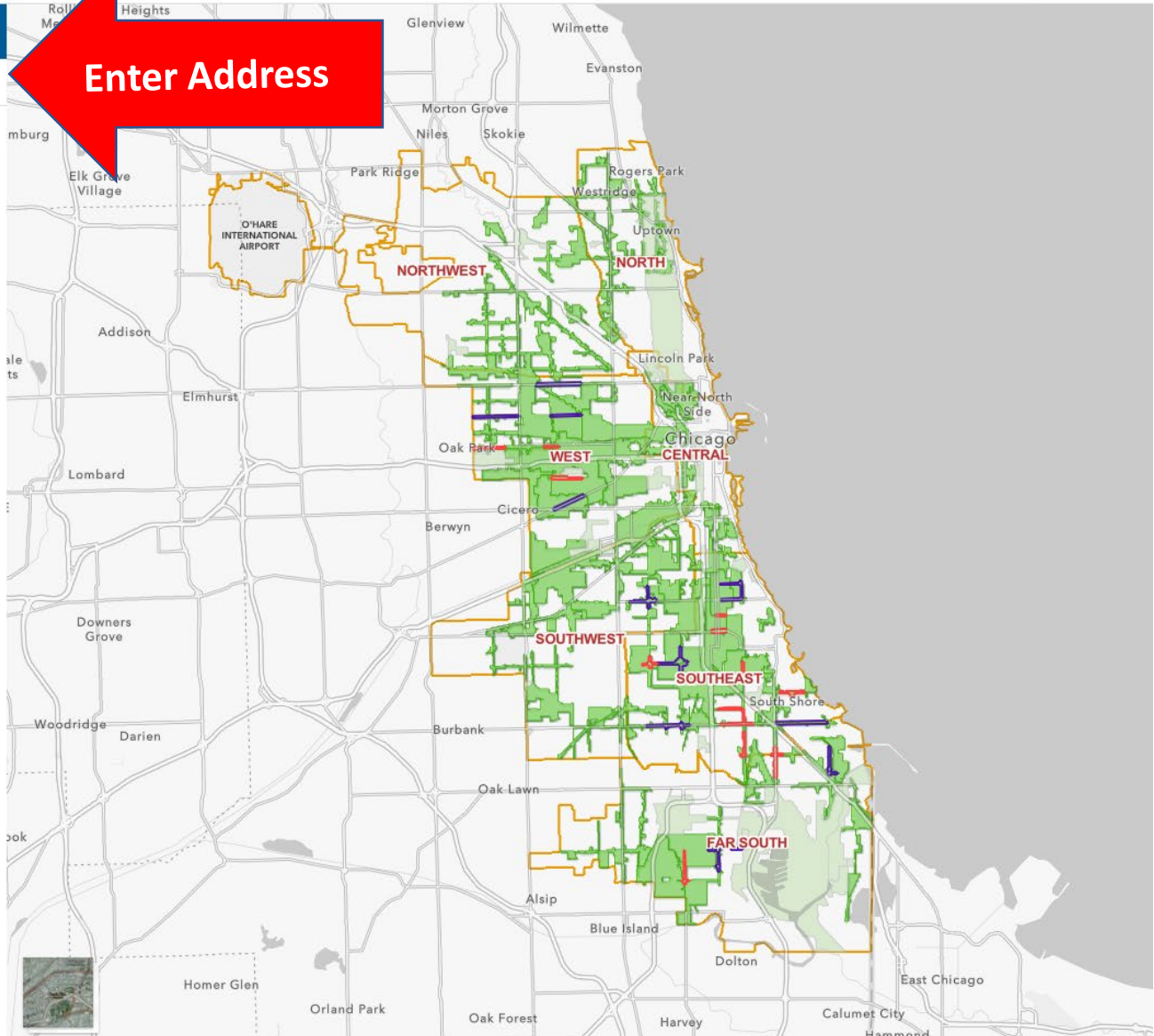
Enter the address of your business or property above to determine if it is eligible for the Small Business Improvement Fund (SBIF) and access contact information for the assigned local delegate agency. Various TIF districts across the City of Chicago open to accept SBIF applications each month. Applicants must submit their applications during the 30-day acceptance window for their TIF district to qualify for funding.

DISCLAIMERS:

- DPD may change the rollout schedule as needed.
- This search tool is a useful guide for residents, however, it is not direct evidence that your address is located in a TIF district. The best way to confirm if your address is located in a TIF is to check your most recent property tax bill. For additional assistance in confirming, contact sbif@somercor.com.

[Learn more about the eligibility requirements for the SBIF program here.](#)





Getting Started: Is my business/property in a SBIF District?



SBIF Locator Tool

4930 S ASHLAND AVE, 60609



Results: 1

This property is located in the 47th/Ashland TIF

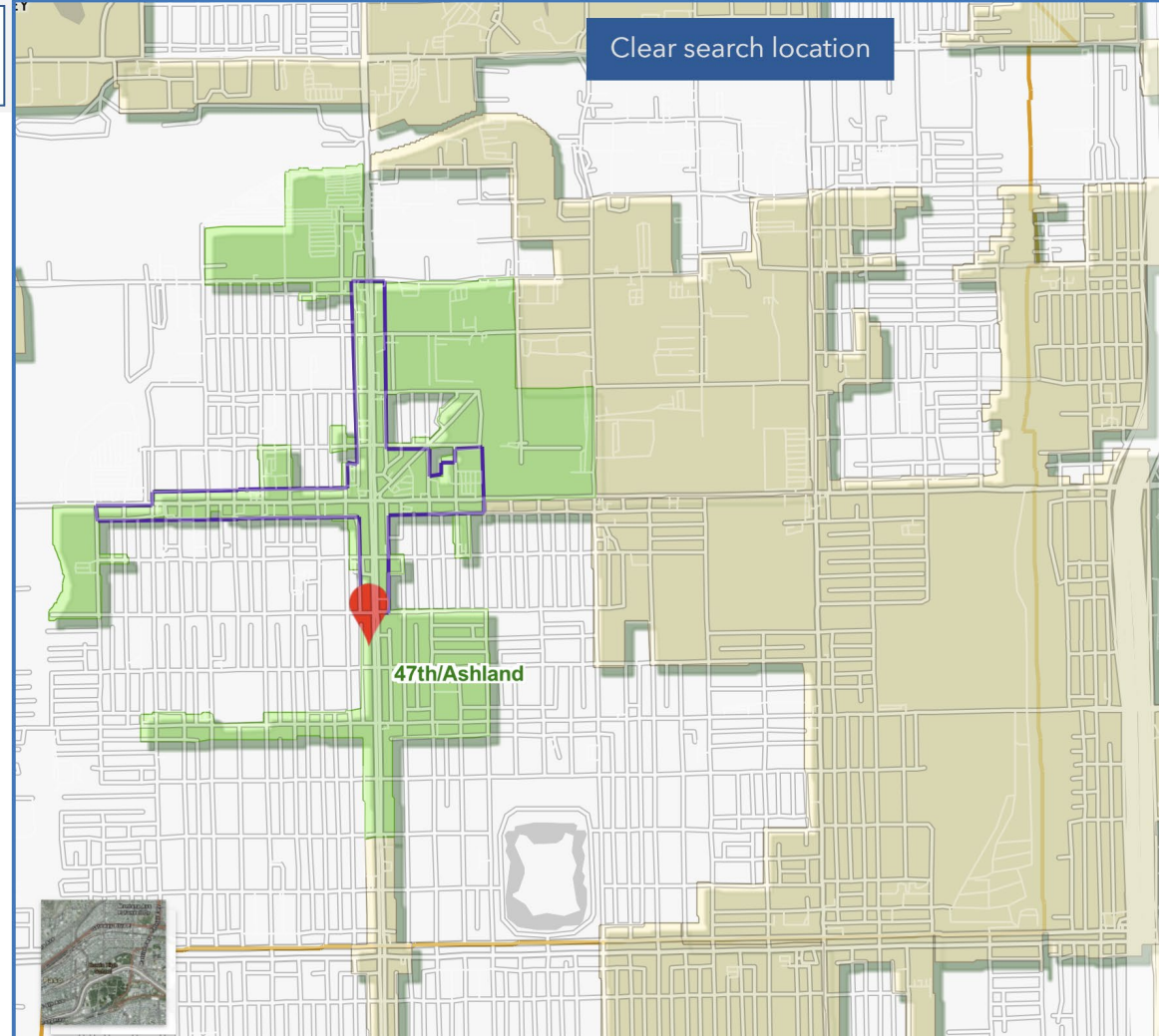
SBIF Application Period

May 2024

Delegate Agencies

Back of the Yards Neighborhood
Council
www.bync.org
872.281.7832

**TIF District
Rollout Dates
Delegate Agencies**



Getting Started: Which SBIF Districts are Open or On Deck?



Eligible SBIF districts in Chicago span neighborhoods on the North, South, and West Sides. **Each month marks a new 30-day period in which SBIF districts with available funds open for applications.** Notice of district openings are provided to the relevant Aldermen, posted on the DPD and SomerCor websites, and included in the SBIF Gram.

Visit www.somercor.com/sbif for the most up to date list of Open and On Deck Districts.



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GET STARTED:

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- 1) Confirm your business is in a SBIF District
- 2) Check which SBIF Districts are Open
- 3) Review SBIF Eligibility Requirements
- 4) Review SBIF Program Rules

TO COMPLETE SBIF APPLICATION



Open SBIF Districts

District Name	Open Date	Close Date	District Map
51st/Archer	February 1, 2024	March 1, 2024	Map Link
Archer/Central	February 1, 2024	March 1, 2024	Map Link
Belmont/Cicero	February 1, 2024	March 1, 2024	Map Link
South Chicago	February 1, 2024	March 1, 2024	Map Link
Western Avenue South	February 1, 2024	March 1, 2024	Map Link

On Deck SBIF Districts

District Name	Open Date	Close Date	District Map
63rd/Pulaski	March 1, 2024	March 30, 2024	Map Link
Cicero/Archer	March 1, 2024	March 30, 2024	Map Link
Peterson/Pulaski	March 1, 2024	March 30, 2024	Map Link
West Irving Park	March 1, 2024	March 30, 2024	Map Link
Western Avenue North	March 1, 2024	March 30, 2024	Map Link

What business and organization types are ineligible to apply?

- chain and franchise businesses
- branch banks
- day labor employment agencies
- currency exchanges
- pay day or title secured loan stores
- pawn shops
- fortune telling services
- liquor stores
- bars/taverns
- hotels/motels
- adult uses
- private clubs
- track wagering facilities
- K-12 schools
- gas stations
- firearms dealers
- places of worship
- smoke shops/cigar lounges
- tobacco dealers/products and accessories
- residential storage warehouses
- trailer-storage yards
- junk yards
- not-for-profit social clubs
- not-for-profit organizations that have a national affiliation

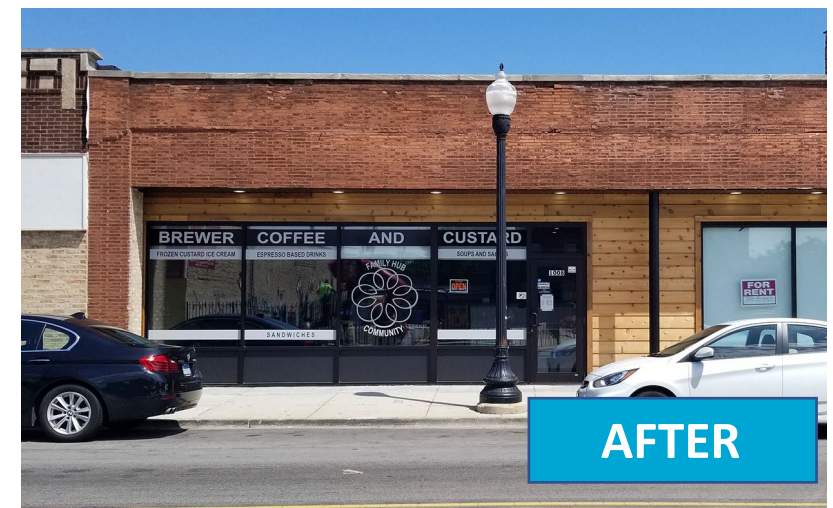
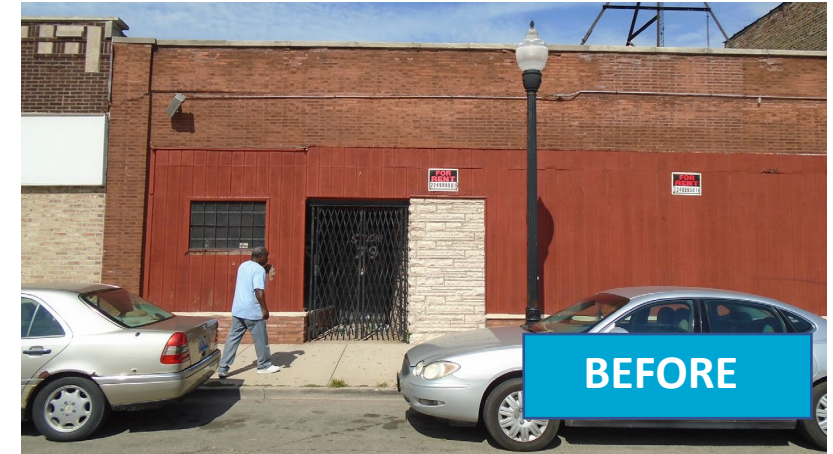
This list is not comprehensive.



What improvement costs are eligible for SBIF funding?

- roof and facade
- components of signs or awnings which are permanently affixed to the building
- alterations or structures needed for ADA compliance (e.g., railings or ramps)
- HVAC and other mechanical systems
- plumbing and electrical work
- certain project-related architectural and construction management fees related to the project
- certain environmental remediation measures
- permanent interior renovations, including fixtures
- the purchase of adjacent land parcels for purposes of expansion or parking

The list above is not comprehensive.



What improvement costs ineligible for SBIF funding?

- new construction (additions/expansions, “ground up”)
- stand-alone minor repairs or cosmetic improvements
- equipment-related expenses (e.g. kitchen appliances, computers, office furniture)
- planters surrounding or affixed to buildings
- outdoor dining or drinking areas including roof decks, beer gardens, outdoor patios, balconies, awnings, porches, and decks
- fencing including pergolas, trellises, arbors, privacy screens, and similar structures
- parking lot construction or repair
- landscaping
- work on the interior of residential units

The list above is not comprehensive.



What are the SBIF design requirements?

Applicants for commercial properties seeking a grant of \$25,000 or greater are required to make at least one exterior improvement, using at least ten percent (10%) of the maximum grant amount.

To receive project approval from DPD, improvements must conform to [DPD's Design Guidelines](#). **Applicants are strongly advised to consult with SomerCor and design professionals on design requirements and guidelines before drawing up plans for work.**

Key exterior design guidelines that DPD will review during the approval phase include:

- Preserving or recreating the original design and window openings when possible
- Incorporating permanent signage to clearly identify the business
- Adequate lighting, especially near entrances, to welcome customers
- Avoid window clutter - windows should let in natural light and attract passersby to the business. [Please refer to BACP guidelines for on-premises window signs for more information](#)
- Other forms of security are preferred, but if necessary, only interior-mounted security gates that are integrated into the storefront design will be reimbursed

What applicant compliance measures are in place?

- Checks will be performed on all applicants during the approval stage to ensure they are complying with child support laws and not indebted to the City.
 - Any scofflaw debt must be cured to participate in SBIF. Applicants can cure the debt via a City payment plan.
 - Applicants using a payment plan must be in compliance with that to receive any SBIF reimbursement funds.
- All applicants must be current on property taxes to receive conditional commitment for funding or reimbursement for completed work.
- Each applicant must sign an Economic Disclosure Affidavit.
- Grantees must sign an affidavit certifying that they will not relocate out of the TIF district or sell the business within a three-year period following disbursement of funds.
- To be reimbursed, landlord applicants must have an executed lease with a qualified tenant and that tenant must be occupying and actively operating their business or not-for-profit out of the leased space.

Getting Started: How do I apply?



Visit www.somercor.com/sbif to complete the SBIF application within the designated open period.

Please allow two business days for SomerCor to confirm receipt of your application via an email response. If you do not receive an email confirmation within this time, please send an email to sbif@somercor.com or call (312) 360-3300. Applicants are responsible for making sure submissions are received within the open acceptance period. Applications received after 5pm on the last day of the acceptance period will not be eligible.



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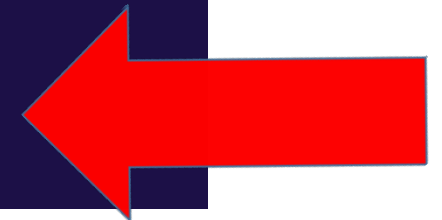


3) Review SBIF Eligibility
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4) Review SBIF Program
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[CLICK HERE TO COMPLETE SBIF APPLICATION](#)



Getting Started: What resources are available to help?



Visit www.somercor.com/sbif to access resources to support your SBIF project. You can also connect with your local delegate agency for assistance in filling out your application.



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ADDITIONAL SBIF RESOURCES:



SBIF Lottery Process



SBIF Design Guidelines



SBIF Lenders



SBIF Contractors



**SBIF Technical Assistance
Providers**



Small Business Resources

Getting Started: What resources are available to help?



Get to know your local delegate agency!

These organizations are assigned to assist small businesses in the SBIF Districts opening in March 2024.



GREATER SOUTHWEST
DEVELOPMENT CORPORATION

63rd/Pulaski & Cicero/Archer TIFs

[Greater Southwest Development Corp](#)

Tina James

c.james@greatersouthwest.org

773.436.1000



West Irving Park TIF

[Portage Park Chamber of Commerce](#)

George Borovik

beebuilding@aol.com

773.777.2020



Cicero/Archer TIF

[Back of the Yards Neighborhood Council](#)

Craig Chicago

cchico@bync.org

872.281.7832



Western Ave North TIF

[Greater Ravenswood Chamber of Commerce](#)

Gene Wagendorf

gene@ravenswoodchicago.org

773.975.2088



Garfield Ridge Chamber of Commerce

Mary Ellen Brown

meb6128@live.com

773.767.0014



Lincoln Square Ravenswood Chamber of Commerce

Rudy Flores

Rudy@lincolnsquare.org

872.806.0685

Peterson/Pulaski TIF

[Peterson/Pulaski Business & Industrial Council](#)

Janita Tucker

jtucker@ppbic.org

773.866.2900



Northcenter Chamber of Commerce

Eileen Kelleghan

eileen@northcenterchamber.com

773.525.3609



March 2024 Open SBIF Districts

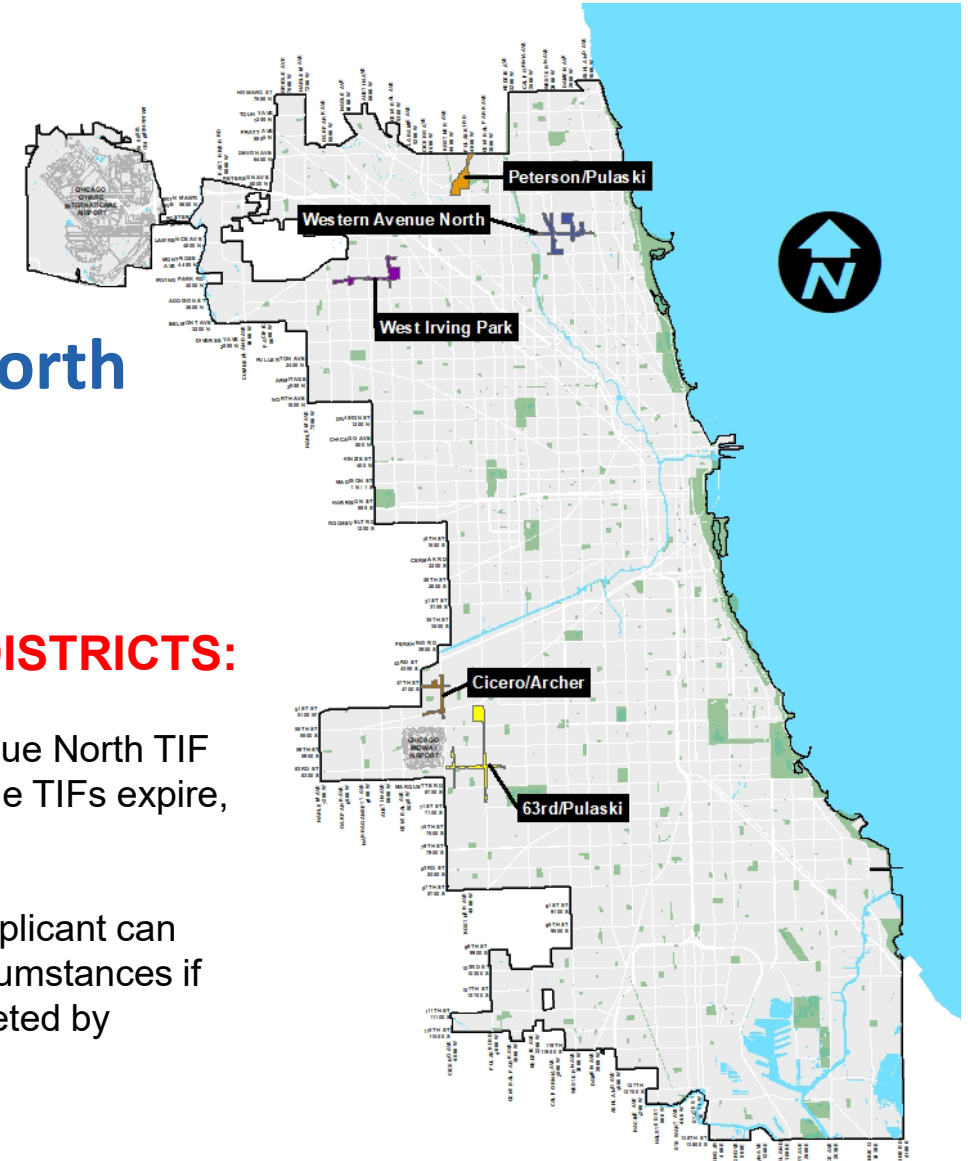
Accepting Applications through March 30th at 5PM

- 63rd/Pulaski
- Cicero/Archer
- Peterson/Pulaski
- West Irving Park
- Western Avenue North

CRITICAL INFORMATION FOR APPLICANTS IN EXPIRING TIF DISTRICTS:

The 63rd/Pulaski, Cicero/Archer, Peterson/Pulaski, West Irving Park, and Western Avenue North TIF districts, which fund the SBIF program, are scheduled to expire on 12/31/2024. When the TIFs expire, SBIF funds will be liquidated, and the districts will no longer exist.

The timeframe for SBIF applicants in these districts will be shortened to ensure each applicant can successfully complete their project. Extensions will only be provided under extreme circumstances if the timing allows the project to be completed. All approved projects must be fully completed by November 15, 2024, to allow time for processing prior to expiration.



BEFORE

West Irving Park TIF Pintaito Gourmet 4315 N. Central Ave



March 2024 Rollout Information & Sample Project



AFTER

West Irving Park TIF Pintaito Gourmet 4315 N. Central Ave



Pintaito Gourmet 4315 N. Central Ave Work Summary

- Masonry work to demolish and install new façade including a new aluminum storefront window
- Rough carpentry and finishes (drywall, ceilings, painting, doors, floor finishes and FRP panels)
- HVAC, electrical, and plumbing improvements
- Installation of a commercial kitchen exhaust system
- Architectural and permit fees

What additional documents should I have on hand to submit along with my SBIF application?

- Business Tax Returns
- Proof of property ownership
- Economic Disclosure Statement & Affidavit
- Personal Financial Statement
- Affidavit of Child Support Form
- Principal Profile Form
- Jobs Created/Retained Survey
- For Start-ups, business plan and three years' projected income and expenses
- Executed lease agreement
- Affidavit and Certification of Property Owner
- Affidavit of Full-Time Equivalent Employees
- Copies of tenants' leases

***While not required when submitting the initial application form, please note that these items are required to complete the SBIF application process. Required documents vary depending on applicant type.**

Are start-ups or new businesses eligible?

Yes, most start-ups can apply. Start-up applicants will need to supply a detailed business plan and projections of the business's income and expenses for its first 36 months of operation as part of their application materials. The City of Chicago reserves the right to impose additional conditions for funding in connection with start-up business applications. If you have only been in business for 1-2 years, SomerCor requires tax returns and a projection of gross sales to equal three years of data.

Am I eligible if I live outside of Chicago?

The important consideration is where you have your business/property. To participate in SBIF, your property must be in the City of Chicago, as the funding source comes from City of Chicago property taxes. If you live in another area, please call your city's planning, economic development, or community development department to see what other programs may be available to assist small business.

What if my building has both business and residential spaces?

This program is primarily for business use, but there are mixed use exceptions. For these buildings, many envelope projects such as roofing, facade improvements, and tuck pointing can be eligible.

Will there be enough SBIF funds for all applicants?

Each Tax Increment Financing (TIF) district that has the SBIF program authorized in it has limited funds reserved for the program. If demand for the SBIF funds is greater than the available funding supply, then a lottery will be conducted to determine the order in which each grant application may be accommodated. If any surplus funds become available, they will be allocated to waitlisted applicants.



Can SBIF be used with other City of Chicago Grant Programs?

No – SBIF cannot be used at the same time as other financial assistance programs, like the Neighborhood Opportunity Fund or Chicago Recovery Plan grant on the same project/covering the same work. However, you may apply for multiple grants at the same time and select the best fit for your project, provided you stay within grant timeline requirements.

Is there SBIF funding available in my district?

Every SBIF area has its own budget that the City refills if it has TIF funds available and if there is a demonstrated need for more grant money. We also maintain an interested party list for funds, which you can also send an email to sbif@somercor.com to join. When more funding becomes available, or the City allocates more funds, we will let you know. The interested party list helps the City of Chicago gauge demand for additional funding.

What if I am in a TIF and it is not a SBIF?

Tax Increment Financing (TIF) is the mechanism that funds the Small Business Improvement Fund (SBIF). If you are in a TIF district and it does not have a SBIF, please contact your alderman.

SomerCor & DPD Contact Information



Silvia Orozco (habla español)

SomerCor (Program Director)

LaTonya Jones

SomerCor (Deputy Director)

Anastasia Williams

SomerCor (Project Manager)

Shalonda Fisher

SomerCor (Project Manager)

Justus Wright

SomerCor (Project Manager)

Marutinandan “Nandu” Dubey

SomerCor (Project Manager)

Nora Curry

Dept. of Planning & Development

☎ 312-744-1867

🌐 nora.curry@cityofchicago.org

(312) 360-3300

sbif@somercor.com

www.somercor.com/sbif & www.chicago.gov/sbif

Google translate is available on www.Chicago.gov/sbif - resources available in other languages

A copy of the presentation and a link to a video will be emailed to all attendees.

THANK YOU

QUESTIONS?



DPD | SBIF

Small Business Improvement Fund

