



Small Business Improvement Fund

Maurice D. Cox, Commissioner

May 2023 District Rollout



Mayor Lori E. Lightfoot

➤ What is SBIF?

- Program Mission
- 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 and what is the program timeline?
- What resources are available to help?

➤ May 2023 Rollout Info & Sample Project

➤ SBIF FAQs

➤ Additional Q&A

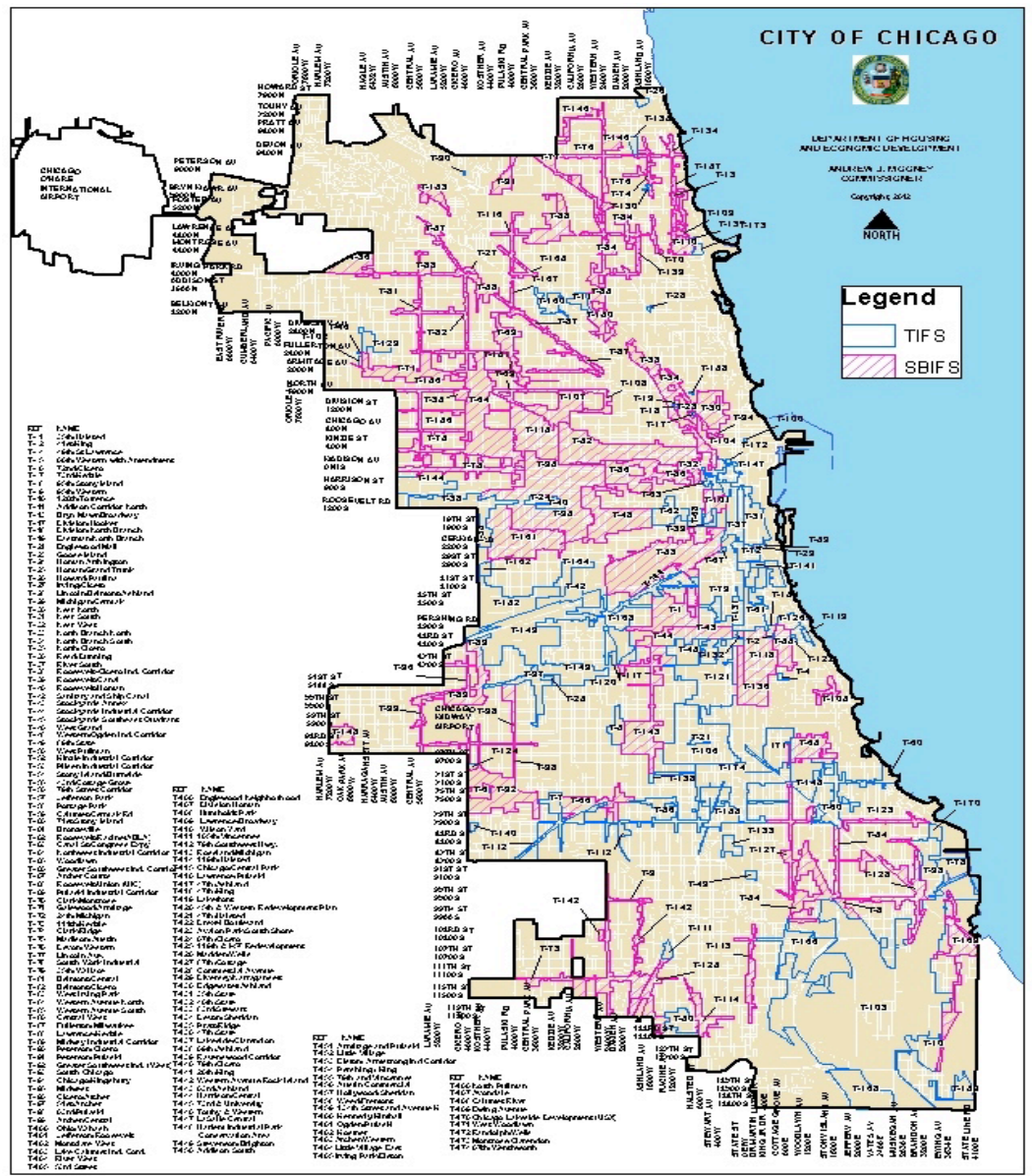


What is SBIF: Program Mission



Launched in 1999, the City of Chicago's Small Business Improvement Fund (SBIF) promotes economic development by providing small businesses and landlords with **reimbursable 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.



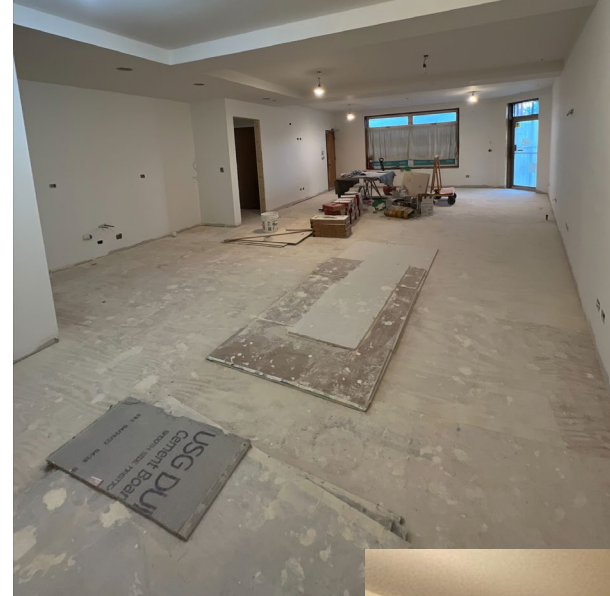
What is SBIF: Grantee Testimonial



Martha Dominguez Financial Services Inc 51st/Archer 5062 S. Archer Ave

Martha Dominguez, FSS, LUTCF is a financial representative with Country Insurance & Financial Services. Country Financial offers a full range of financial products and services from auto, home, and life insurance to retirement planning. Martha and her team serve both the English and Spanish-speaking community.

The scope of work at Financial Services, Inc. included a new storefront system, new exterior lighting, interior electrical, plumbing, and HVAC work, restroom renovations, and roof repairs.



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



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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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](#)

Step 1: Click Here

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



SBIF Locator Tool

Enter Address

Small Business Improvement Fund


Department of Planning and Development

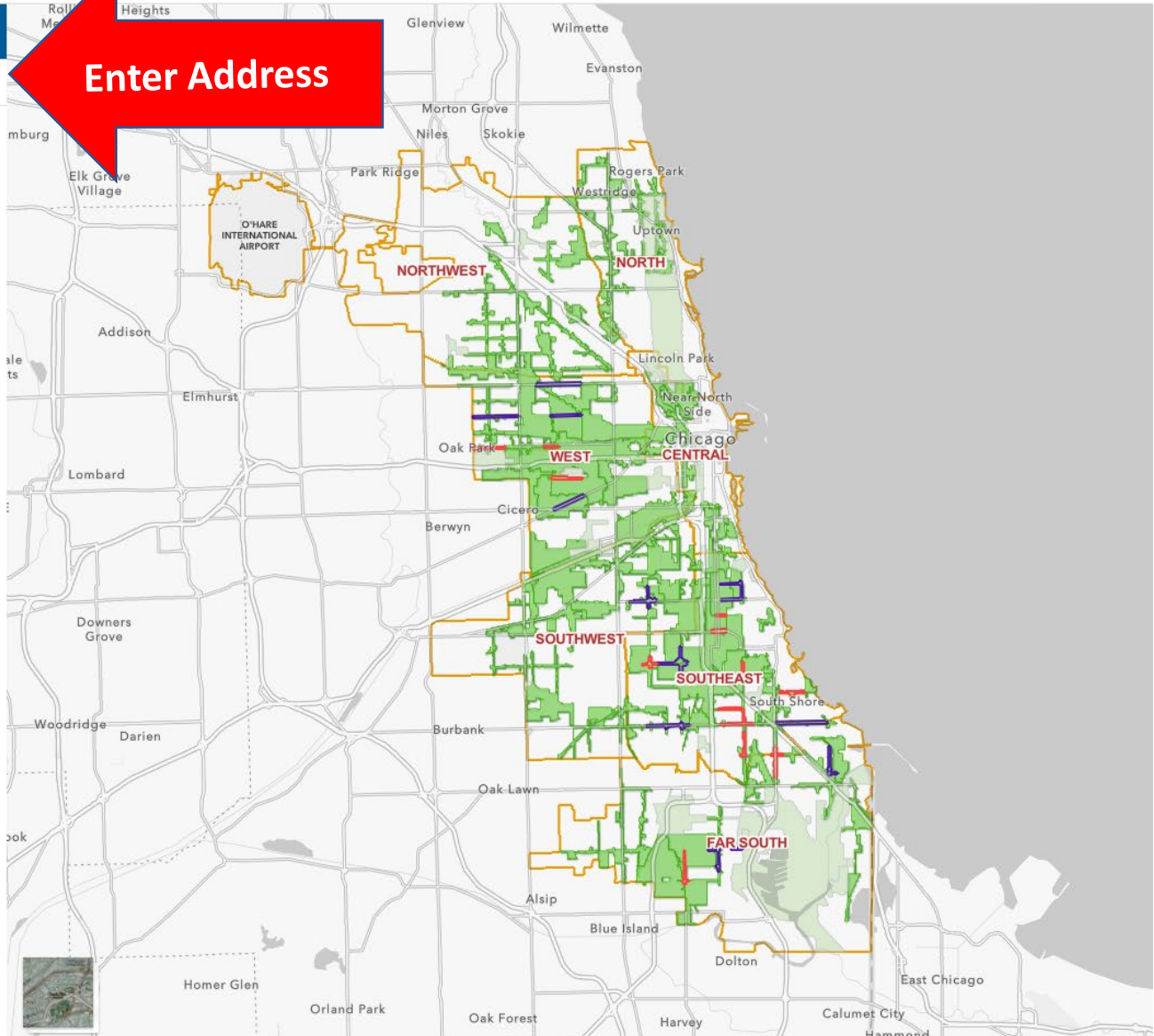
Enter the address of your business or property above to determine if it is eligible for the Small Business Improvement Fund (SBIF) and access contact information for the assigned local delegate agency. Various TIF districts across the City of Chicago open to accept SBIF applications each month. Applicants 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

1008 W 79TH ST, 60620

Results:2

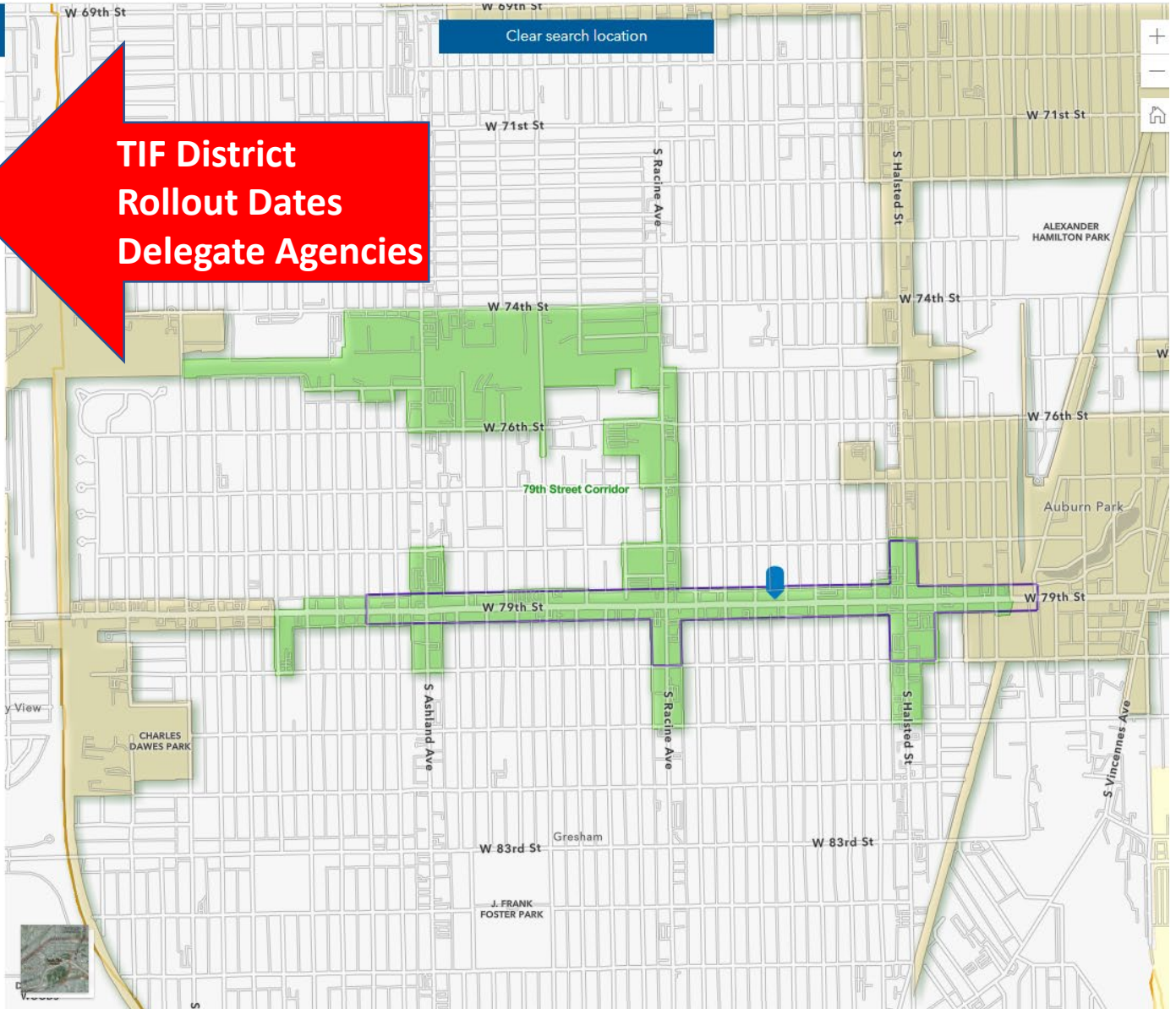
This property is located in the 79th Street Corridor TIF

SBIF Application Period	August 2022
Delegate Agencies	Greater Auburn Gresham Development Corporation www.gagdc.org 773.483.3696

This property is located in the 79th St Ashland Invest South/West Corridor

In the case of a lottery to determine the order in which SBIF applications will be reviewed, applications for properties in INVEST South/West Corridors and SBIF Target Corridors will be given priority.

**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.



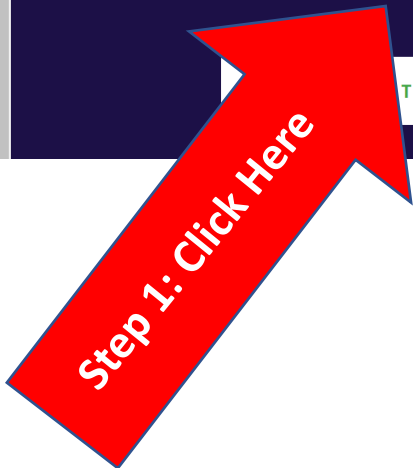
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GET STARTED:

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](#)



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Open SBIF Districts

District Name	Open Date	Close Date	District Map
43rd/Cottage Grove	January 3, 2022	February 1, 2022	Map Link
Bronzeville	January 3, 2022	February 1, 2022	Map Link
Jefferson Park	January 3, 2022	February 1, 2022	Map Link
Lincoln Avenue	January 3, 2022	February 1, 2022	Map Link
Pilsen Industrial Corridor	January 3, 2022	February 1, 2022	Map Link
Portage Park	January 3, 2022	February 1, 2022	Map Link
Washington Park	January 3, 2022	February 1, 2022	Map Link

On Deck SBIF Districts

District Name	Open Date	Close Date	District Map
24th/Michigan	February 1, 2022	March 2, 2022	Map Link
Clark/Montrose	February 1, 2022	March 2, 2022	Map Link
Devon/Western	February 1, 2022	March 2, 2022	Map Link
Galewood/Armitage Industrial	February 1, 2022	March 2, 2022	Map Link
Humboldt Park Commercial	February 1, 2022	March 2, 2022	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
- night clubs
- 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

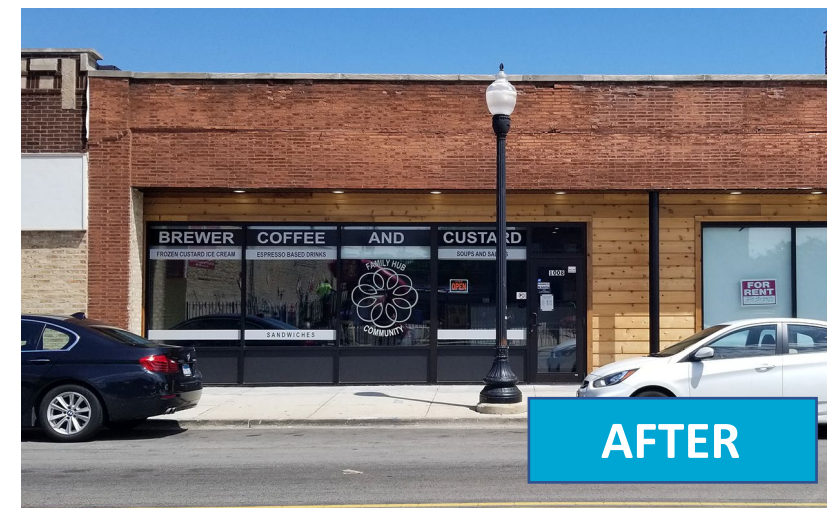
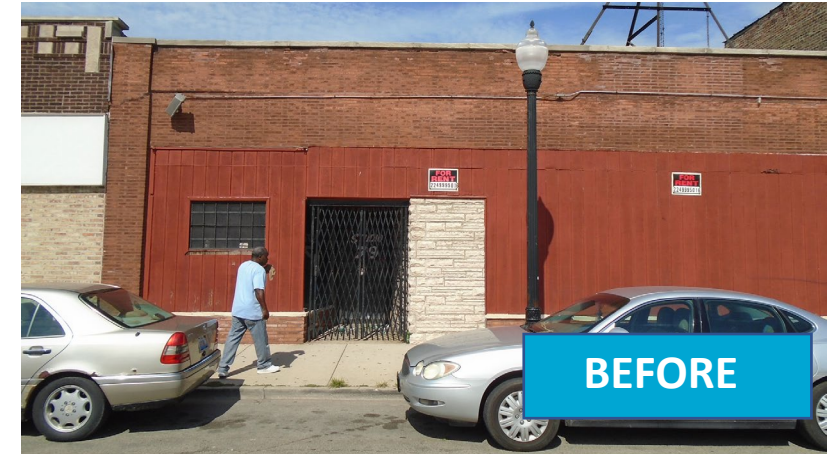
This list is not comprehensive.



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?

In order to receive funding, projects must conform to design requirements including meeting DPD's Design Guidelines (found at www.somercor.com/sbif). Projects shall also comply with design guidelines and additional neighborhood requirements as described in guidelines, style guides, community plans and other planning documents associated with the TIF area and neighborhood in which the property is located.

Applicants are strongly advised to consult with SomerCor and design professionals on design requirements and guidelines before drawing up plans for work.

All applicants for commercial properties who are approved for a grant of \$25,000 or greater shall be required to make at least one exterior improvement using at least ten percent (10%) of the maximum amount of their approved grant, including but not limited to, facade repair, windows and doors, and other exterior improvements eligible subject to DPD approval. This requirement can be waived at DPD's sole discretion if the applicant can demonstrate to DPD's satisfaction that no exterior improvements are needed because improvements have been recently completed or the exterior features of the building have been well-maintained and are consistent with [DPD's Design Guidelines](#).

What measures are in place to ensure applicant compliance with program rules?

- Checks will be performed on all applicants during the approval stage to ensure that they are current on property taxes, complying with child support laws, and not indebted to the City. Any scofflaw debt cleared with the City of Chicago via a payment plan, must be in compliance before any reimbursement will be made for eligible costs incurred. Additionally, all applicants must be current on property taxes prior to any reimbursement.
- Each applicant will sign an Economic Disclosure Affidavit.
- Grantees will be required to 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.
- In cases of SBIF reimbursement for land purchase, proof of land ownership will be required before reimbursement may be made.



Download a copy of the SBIF application at www.somercor.com/sbif.
To apply, complete the application and email to sbif@somercor.com within the designated open period.



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2) **Check which SBIF Districts are Open**

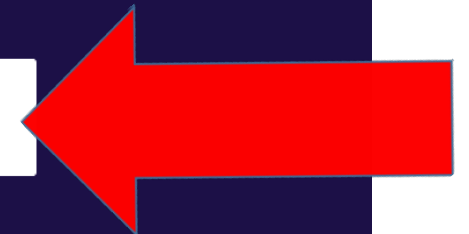


3) **Review SBIF Eligibility Requirements**



4) **Review SBIF Program Rules**

[CLICK HERE TO COMPLETE SBIF APPLICATION](#)



Getting Started: What is the SBIF Program timeline?



Stage 1: Applicant Eligibility Review- *Applicant supplies any missing information to complete their application: up to 20 days*

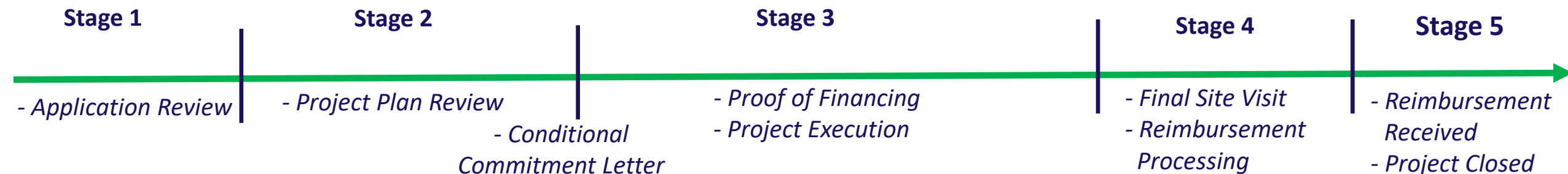
Stage 2: Project Eligibility Review - *Plans, bids, and specs, are obtained, debts are cured: up to 120 days*

Note: *Stage 1 and 2 must be completed before final review and project approval by the DPD. If approved, you will receive your “Conditional Commitment Letter” signaling you are able to begin construction.*

Stage 3: Project Construction – *Construction is completed: up to 10 months. Proof of permit or permit application (concurrent with 10-month construction phase) must be submitted within 120 days following the date of the commitment letter*

Stage 3.4: Proof of Financing – *Applicant provides proof of sufficient funds to complete the project: up to 120 days following the date of the commitment letter, the applicant must prove they currently have sufficient equity to complete the project, at least 50% of the funds needed to cover the total project costs.*

Stage 4: Reimbursement – *Processing and check delivery: 4-6 weeks*



Getting Started: What is the SBIF Program timeline?



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

A maximum of two extensions may be granted with DPD approval in the case of unavoidable delay due to extraordinary circumstances. DPD (not SomerCor) also may on a case-by-case basis grant a Grant-Eligible Application an additional amount of time to complete any Program requirement. In such case, DPD shall have discretion to determine the appropriate length of the extension.



Getting Started: What is the SBIF Program timeline?



What is required to deem a project completed and receive grant funds?

- **Required proof of payment documentation is sent to SomerCor for review**
 - ✓ Sworn statement
 - ✓ Invoices
 - ✓ Cancelled checks
 - ✓ Waivers of lien
- **SomerCor completes a final site visit**
- **Submit a copy of building permit(s)**



→ Within 4-6 weeks the grant payment will be received by check

Getting Started: What resources are available to help?



Visit www.somercor.com/sbif to access resources to support your SBIF project.



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ADDITIONAL SBIF RESOURCES:



SBIF Lottery Results



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 business owners in the SBIF Districts opening in May 2023.



HYDE PARK
CHAMBER OF COMMERCE

53rd Street

[Hyde Park Chamber of Commerce](#)

Wallace Goode

contact@hydeparkchamberchicago.org / 773.288.0124



[South East Chicago Commission](#)

Diane Burnham

diane@secc-chicago.org / 773.324.6926



Belmont/Cicero

[Belmont/Central Chamber of Commerce](#)

Reid Mackin

belmontcentralcc@sbcglobal.net / 773.647.1644



[Portage Park Chamber of Commerce](#)

George Borovik

beebuilding@aol.com / 773.777.2020



GREATER SOUTHWEST
DEVELOPMENT CORPORATION

63rd/Ashland

[Greater Southwest Development Corporation](#)

Tina James

c.james@greatersouthwest.org // 773.436.1000



[Greater Englewood Chamber of Commerce](#)

Felicia Slaton-Young

fyoung@gechamber.com / 312.768.8573



GECCDC

[Greater Englewood CDC](#)

Derrick Warren

dwarren@gecdc.org / 773.651.2400



[Teamwork Englewood](#)

Cecile Demello

cdemello@teamworkenglewood.org / 773.488.6600

Getting Started: What resources are available to help?



Get to know your local delegate agency!

These organizations are assigned to assist small business owners in the SBIF Districts opening in May 2023.



Bronzeville

[Quad Communities Development Corporation](#)

Rhonda McFarland

rmcfarland@qcdc.org // 773.268.7232



Humboldt Park Commercial

[Division Street Business Development Association](#)

Eduardo Arocho

earocho@dsbda.org / 773.782.0454



[Chicago Urban League](#)

Calmetta Coleman

ccoleman@chiul.org / 773.285.5800



[Puerto Rican Cultural Center](#)

Honorio Torres

honoriotorres@prcc-chgo.org / 773.394.4935



[Mid South Business Association](#)

Philip Beckham

info@msbarc.org / 773.949.6750



[West Humboldt Park Development Council](#)

Adrienne Whitney-Boykin

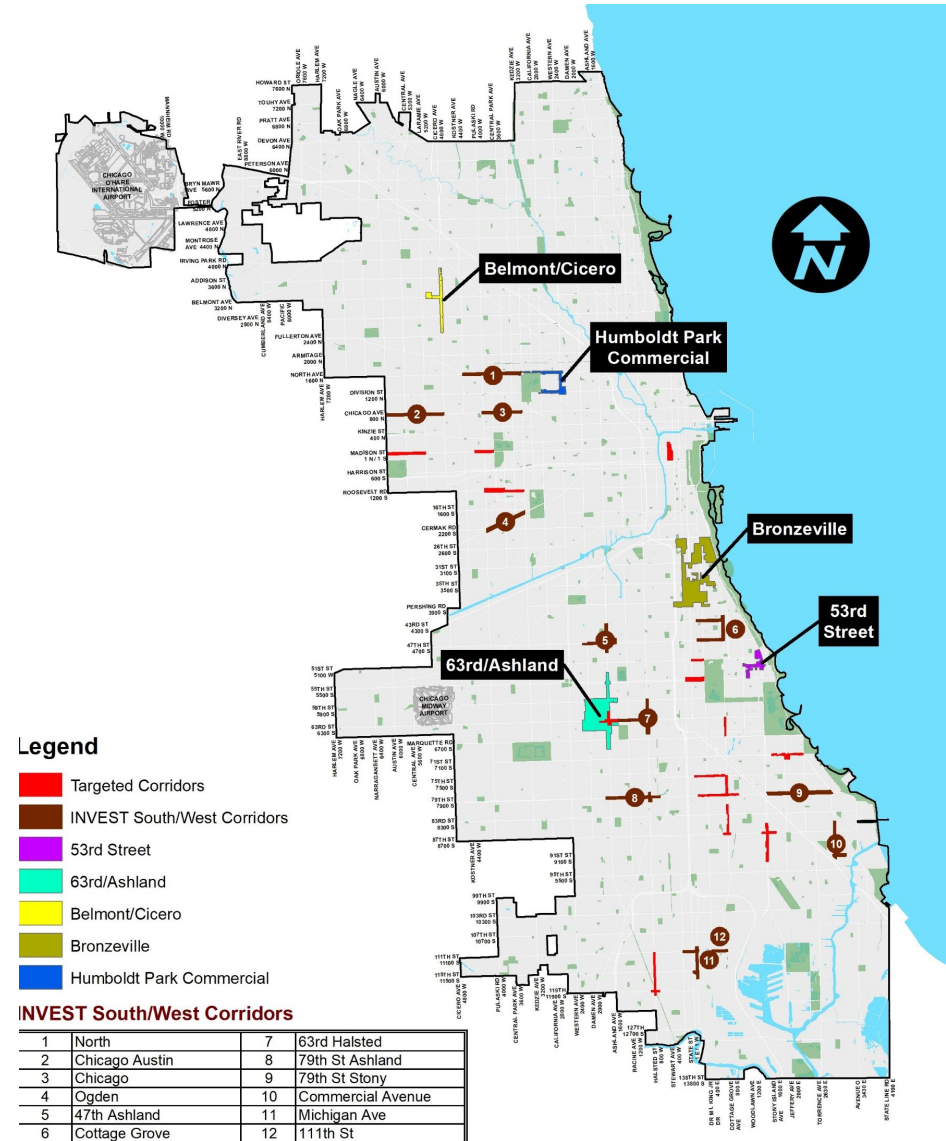
Adrienne@whpdevelopmentcouncil.net / 773.342.0036

May 2023 Open SBIF Districts Accepting Applications through May 31st at 5PM

- 53rd Street
- 63rd/Ashland
- Belmont/Cicero
- Bronzeville
- Humboldt Park Commercial

Submit via email: sbif@somercor.com

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 a follow up message or call (312) 360-3300. Applicants are responsible for making sure submissions are received within the open acceptance period.



BEFORE

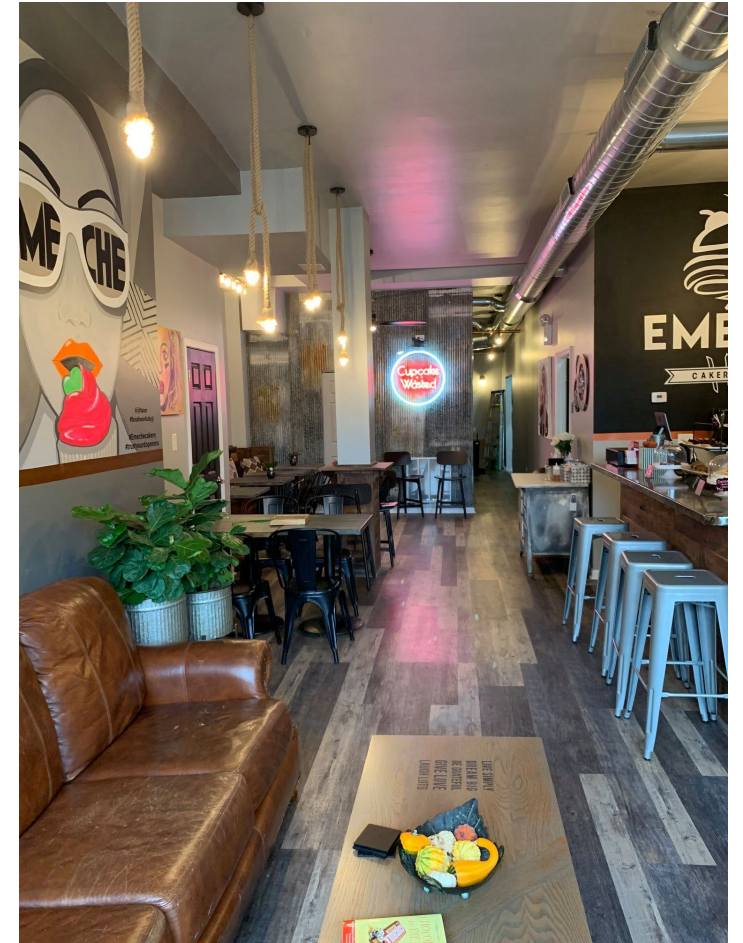


**Bronzeville TIF
Emeche Cakery & Cafe
3453 S. Prairie Ave**

May 2023 Rollout Information & Sample Project



AFTER



Emeche Cakery & Cafe Work Summary:

- Electrical upgrades including new wiring, switches, outlets, and light fixtures
- Plumbing work including removal of the existing plumbing system and replacement with new cast iron piping for the restrooms and kitchen
- HVAC improvements including the installation of a new commercial exhaust hood system with associated ductwork, painting and drywall.

What are the financial requirements to participate in the SBIF program?

The SBIF program is a reimbursable grant, so project participants should be prepared with financing to support the permanent building improvements. Proof of financing is not required until Stage 3, but 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. Applicants will receive an approval for the full scope of work and construction will be completed based on necessity and contractor's recommendations. The phase disbursements will be based on progress or completion of eligible construction work.

For example, an applicant approved to complete a roof tear-off, HVAC system upgrades, and the installation of a new store front under one application can complete the work in phases. Once the roof improvements are complete and proper paperwork is submitted, the applicant can be reimbursed for that work and then use those funds to address the HVAC upgrades. And then repeat that process to be reimbursed for that and use those funds for the storefront upgrades.

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.

Please note that bars, taverns, hotels, and motel applicants must have held their applicable license and been in business for at least one calendar year.

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.

Applicants for a Property located in an “INVEST South/West Corridor” shall be given priority for funding and the lottery. Applicants for a Property located in a “Target Corridor” shall be second in priority for funding and the lottery. The remaining Applicants shall be provided funding, if available, and placed on the waitlist, if applicable, after Applicants in the INVEST South/West Corridors and the Target Corridors.

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. Email the SomerCor team at sbif@somercor.com to see if there are funds in your SBIF. 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

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

THANK YOU

QUESTIONS?



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Small Business Improvement Fund

