



Small Business Improvement Fund

Maurice D. Cox, Commissioner

September 2021 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?

➤ September 2021 Rollout Information & Sample Project

➤ SBIF FAQs

➤ Additional Q&A

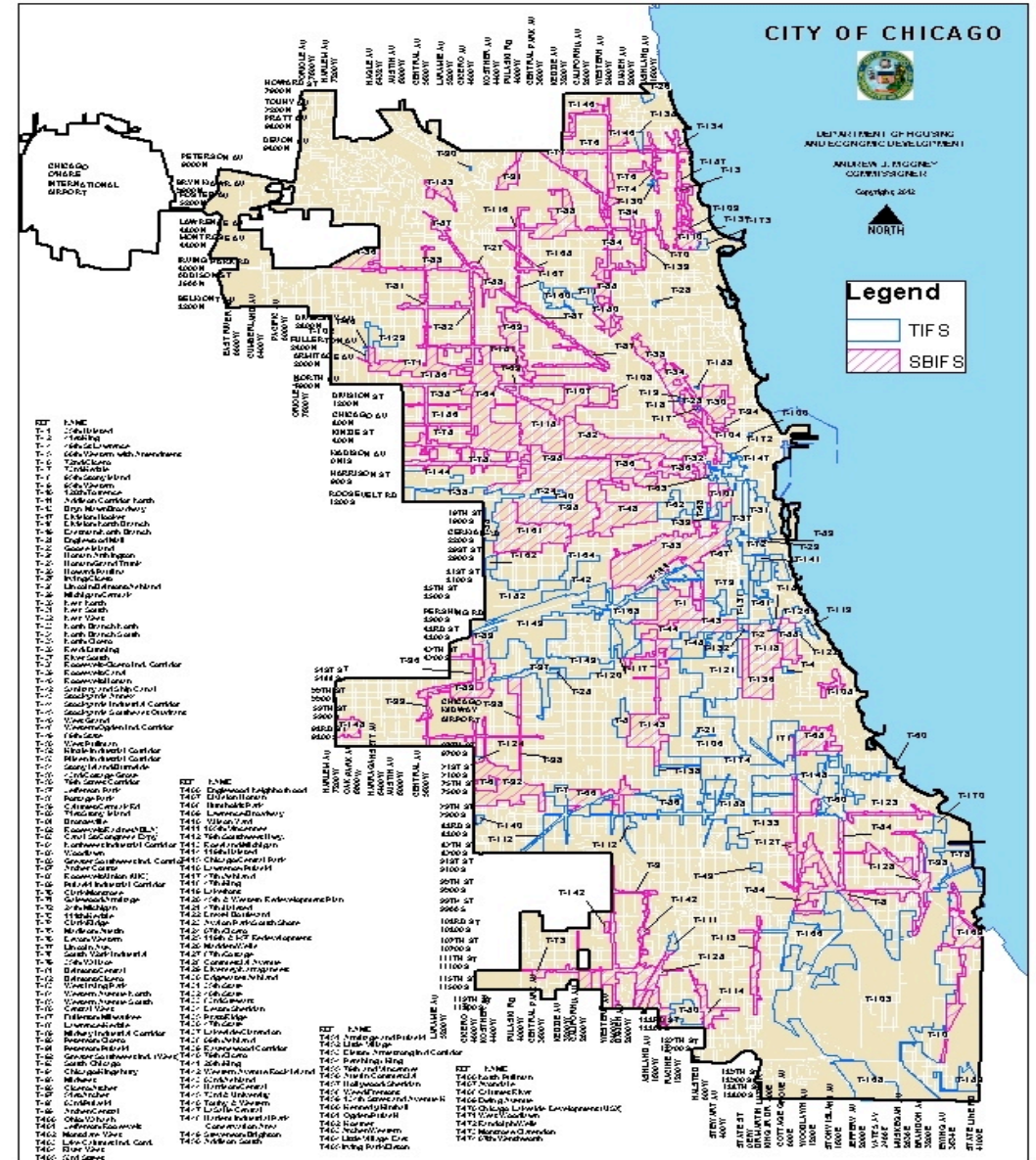


What is SBIF: Program Mission



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.



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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BLOG

COVID-19
RESOURCES

SEARCH

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

[Home](#) / [SBIF Eligibility](#)

SBIF Eligibility

This page provides a top-line overview of the eligibility requirements for the Small Business Improvement Fund (SBIF). For detailed information, [please review the program rules](#).

Eligible Areas

Enter address to determine if a property is SBIF eligible.

8615 S STONY ISLAND AVE, 60617 is located within the Stony Island Avenue Commercial and Burnside Industrial Corridors TIF District.

Anticipated SBIF Application Dates:

March 2021

Local Delegate Agencies:

[Calumet Area Industrial Council](#), 773.928.6000

Ward

8

Community Area

AVALON PARK



Step 2: Enter Address

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.



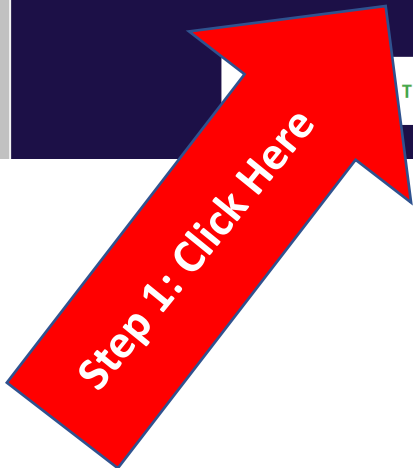
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- 2) Check which SBIF Districts are Open
- 3) Review SBIF Eligibility Requirements
- 4) Review SBIF Program Rules

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- CITY OF CHICAGO SBIF
- ABOUT
- BLOG
- COVID-19 RESOURCES
- SEARCH



Open SBIF Districts

District Name	Open Date	Close Date	District Map
Kinzie Industrial Corridor	January 4, 2021	February 8, 2021	Map Link
North/Cicero	January 4, 2021	February 8, 2021	Map Link
Peterson/Pulaski	January 4, 2021	February 8, 2021	Map Link
Pilsen Industrial Corridor	January 4, 2021	February 8, 2021	Map Link
Roosevelt/Cicero Industrial Corridor	January 4, 2021	February 8, 2021	Map Link

On Deck SBIF Districts

District Name	Open Date	Close Date	District Map
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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
- night clubs
- adult uses
- hotels or motels
- 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

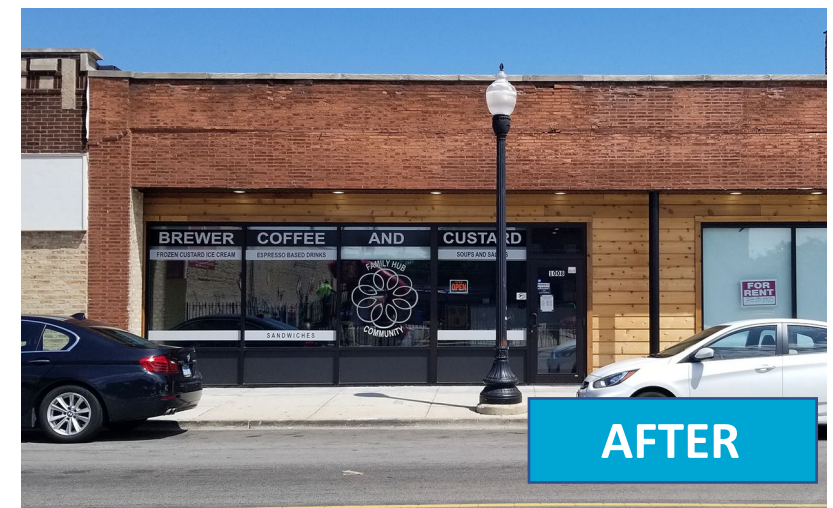
This list is not comprehensive.



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
- equipment-related expenses (e.g. kitchen appliances, computers, office furniture)
- planters surrounding or affixed to buildings
- fencing
- 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 prior to funding to ensure that they are not indebted to the City, are current on property taxes, and complying with child support laws.
- 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.



HOME

LOANS

CITY OF CHICAGO
SBIF

ABOUT

BLOG

COVID-19
RESOURCES

SEARCH

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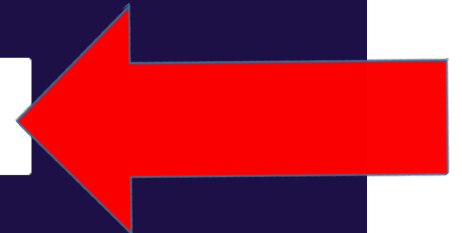


3) **Review SBIF Eligibility Requirements**



4) **Review SBIF Program Rules**

[CLICK HERE TO COMPLETE SBIF APPLICATION](#)



Getting Started: What is the SBIF Program timeline?



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

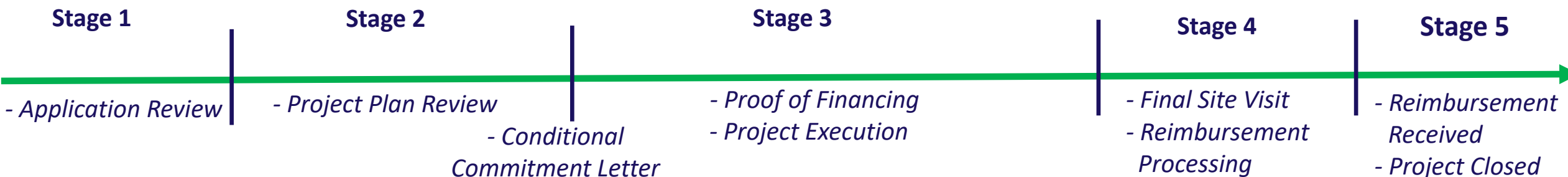
Stage 2 - Plans, bids, and specs, are obtained, debts are cured: up to 120 days

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: 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 – 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: 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 (note – for non-escrow projects)

Getting Started: What resources are available to help?



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



HOME

LOANS

CITY OF CHICAGO
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ABOUT

BLOG

COVID-19
RESOURCES

SEARCH

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 September 2021.

95th/Western TIF

[95th Street Beverly Hills
Business Association](#)

Erin Ross

erin@95thstreetba.org

773-415-8778



[Morgan Park Beverly Hills
Business Association](#)

Caroline Connors

cconnors918@gmail.com

773.779.2530



[Beverly Area
Planning Association](#)

Susan Flood

sflood@bapa.org

773.233.3100



111th/Kedzie TIF

[Mount Greenwood Community
Business Association](#)

Mary Gill

mgcba2013@gmail.com

773.881.0622



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 September 2021.

Austin Commercial TIF

[Austin African American Business
Networking Association](#)

Malcolm Crawford

aaabna@yahoo.com

773.626.4497

AAABNA

[Austin Chamber of Commerce](#)

Melody Lewis

melody-lewis@sbcglobal.net

773.854.5848



[Austin Coming Together](#)

Darnell Shields

dshields@austincomingtogether.org

773.417.8613



Bryn Mawr/Broadway TIF

[Edgewater Chamber of Commerce](#)

Christina Pfitzinger

christina@edgewater.org

773.561.6000



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 September 2021.

Lawrence/Pulaski TIF

[Albany Park Community Center](#)

Monica Woodson

mwoodson@apcc-chgo.org

773.433.3750



CAROLE ROBERTSON CENTER
for Learning at Albany Park

[Pulaski Elston Business Association](#)

Amie Zander

info@pebachamber.org

773.394.4935



Lawrence/Broadway TIF

[Uptown United](#)

John Blick

john@exploreuptown.org

773.878.1064



[North River Commission](#)

Thomas Applegate

thomasapplegate@northrivercommission.org

773.478.0202



NORTH RIVER
COMMISSION

September 2021 Rollout Information & Sample Projects

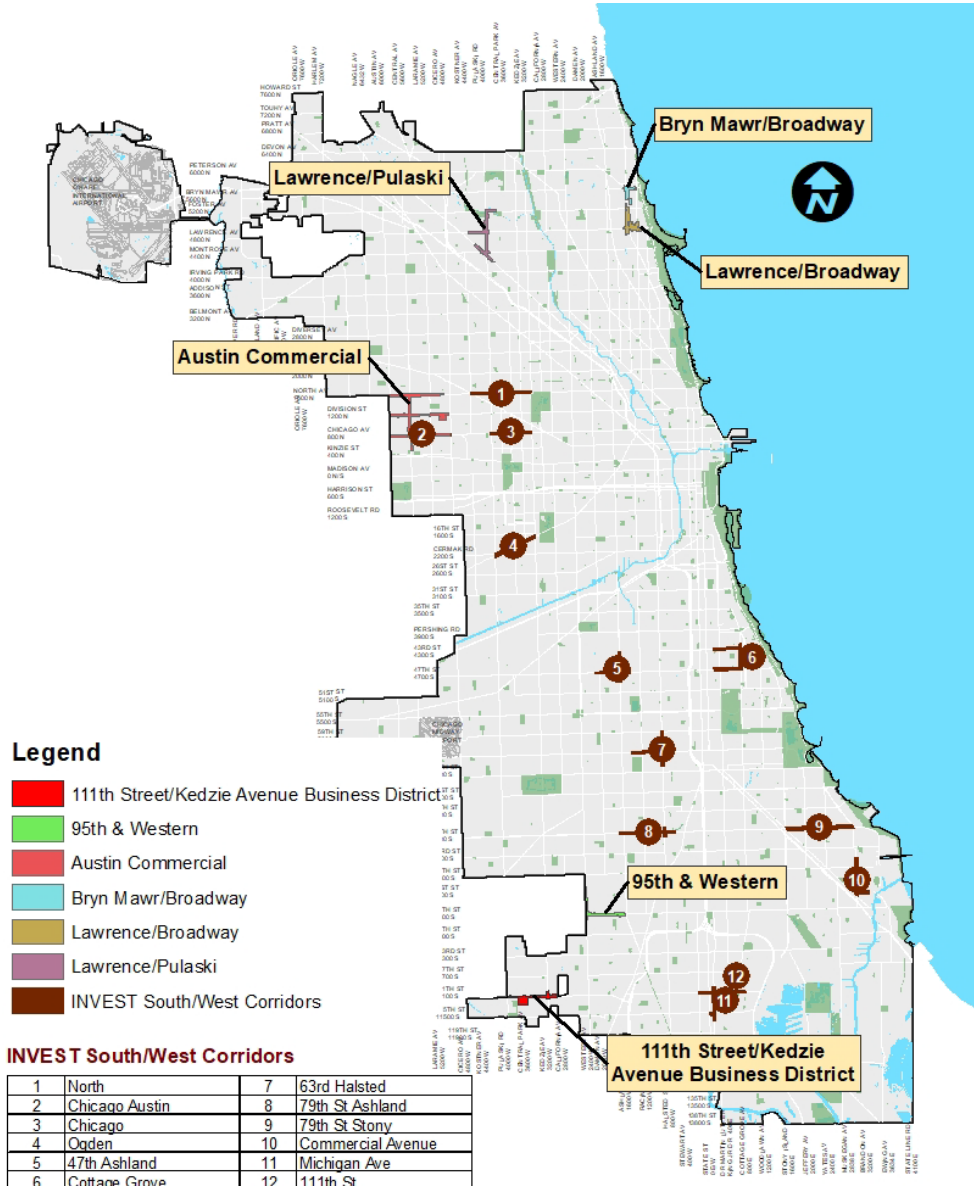


**September 2021 Open SBIF Districts
Accepting Applications through September 30 at 5PM**

- 95th/Western
- 111th/Kedzie
- Austin Commercial
- Bryn Mawr/Broadway
- Lawrence/Broadway
- Lawrence/Pulaski

**Applications received for these areas will NOT be accepted after
5pm CST on Thursday, September 30th**

Submit via email: sbif@somercor.com



Bryn Mawr/Broadway TIF Michelle Lytle Photography & Lytle House Event Space 5517 N. Broadway

BEFORE



September 2021 Rollout Information & Sample Project



AFTER

*Photos found on
www.thelytlehouse.com*



Michelle Lytle Photography & Lytle House Event Space Work Summary:

- Masonry work including brick up of old windows and doors, the existing garage door opening in the rear, tuck-pointing work and repairs to damaged bricks as needed
- Installation of new doors, windows and a new overhead door in the front of the building
- Interior work including drywall, electrical, plumbing and HVAC
- Buildout of two new restrooms

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.**

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 receive their grant funds through an escrow account. DPD, in its sole discretion, may authorize up to three draws of funding from the escrow account to reimburse an Applicant as work is completed on a project. Any fees associated with the use of an escrow account will be taken out of the grant award.

Are start-ups or new businesses eligible?

Yes, 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. Please note that 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.

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)

(312) 360-3300
sbif@somercor.com

Ellybeth Castaneda (habla español)
SomerCor (Project Manager)

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☎ 312-744-1867
🌐 nora.curry@cityofchicago.org

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

