

# City Grants for the Rehab & Construction of Creative Space

Wednesday, October 23, 2024  
1:30-3:00 pm



*DPD grant recipient The People's Music School, 931 W. Eastwood Ave.*

# DCASE INTRODUCTIONS & CONTEXT

---

## DCASE

- Meida McNeal, Deputy Commissioner, Cultural Grants & Resources
- Laura Trejo Lozano, Program Director, Cultural Resources
- Amanda Carlson, Senior Strategist

# DPD INTRODUCTIONS

---

## DPD

- Taylor Nesse, Coordinator of Economic Development
- Hannah Jones, Director, Chicago Recovery Plan
- Joshua Son, Program Administrator, Neighborhood Opportunity Fund
- Nora Curry, Program Director, Small Business Development
- Erin Shipley, Project Manager

# PURPOSE

---

- What is DPD?
- Which programs could your project be eligible for?
- How do DPD grants work?
- Answering key questions

# DPD CAPITAL IMPROVEMENT GRANTS

---

- Program details
- Application tips
- Additional noteworthy items
- Key dates and resources





# PROGRAM DETAILS



# DPD CAPITAL IMPROVEMENT GRANTS

---

## ➤ **Community Development Grants – Small, Medium and Large**

- Competitive process
- Applications open bi-annually (Large open year-round)
- Awards at three levels: up to \$250,000, \$300,000-5,000,000, and more than \$5,000,000
- Projects must be within city limits

## ➤ **Neighborhood Opportunity Fund (NOF)**

- Competitive process
- Applications open year-round
- \$250,000 max base grant + \$50,000 max TA assistance
- Projects must be in NOF qualified investment area

## ➤ **Small Business Improvement Fund (SBIF)**

- Non-competitive process
- Applications are submitted during monthly rollout periods for individual TIF districts
- \$150,000 max award (commercial); \$250,000 max award (industrial)
- Projects must be in TIF district with a SBIF that is open for applications

# ELIGIBILITY

---

## **DPD capital improvement grants are available to:**

- Business owners and entrepreneurs, property owners, non-profit organizations, and community developers
- Properties located in the City of Chicago (specific boundaries may apply)
- Commercial, mixed-use, and manufacturing projects
- New Construction at vacant sites (NOF/CDG only)

## **Geographic eligibility: SBIF and NOF**

- SBIF projects must be in **an eligible Tax Incremental Financing district**, eligible districts are announced monthly.
- NOF projects are located on the south, southwest or west sides, and must be on **an NOF eligible or priority corridor**.



# ELIGIBLE EXPENSES

---

- Major exterior and interior renovations
- Roofing, masonry, façade, windows, doors
- Mechanical systems, such as HVAC, electrical, and plumbing
- ADA accessibility improvements
- Architectural/design, engineering, site prep, demolition, and construction fees
- **NOF/CDG ONLY:** acquisition

Note: Contractors doing this work will need to have a City of Chicago license and an active insurance policy. Work completed without proper permitting will not be reimbursed.

# INELIGIBLE PROJECTS

---

**The following project types or conditions are ineligible:**

- The grant recipient is a residential or home-based business.
- The grant recipient is a government entity.
- The application is for operational expenses.
- The project will not be completed within the required timeframe.
- The project's scope of work is already being funded through another Department of Planning and Development grant.
- Construction has already been completed.
- The business has received another Department of Planning and Development grant in the last 3 years.

# GRANT STRUCTURE

---

- DPD capital improvement grants are reimbursement grants.
- Reimbursement percentage rates vary by program.
- All applicants need to be able to secure financing and fund all work upfront.
- Funds are disbursed at different stages of each grant program based on verified project progress.



# GRANT DETAILS





# ★ CDG-L RAMOVA

- Renovation of the Ramova Theater into a mixed-use theater and entertainment space. The redeveloped space holds an 1,800-capacity music venue, a full-service restaurant and brewery.
- Grant Program: CDG-Large
- Project Type: Commercial
- Total Grant Amount: \$9 million



# CDG-M CIRCESTEEM

- CircEsteem renovated the former Lakeside Theater building, recreating the space for the organization's future. The project included the total interior redevelopment to rehabilitate training, performance and office space. Work also included façade repair and stabilization.
- Grant Program: CDG-Medium
- Project Type: Non-profit
- Total Grant Amount: \$5 million



# ELIGIBILITY: CDG- MEDIUM AND LARGE

---

Grants fund real estate (capital) development projects, citywide, proposing to:

- Construct a new structure or building addition
- Rehabilitate an existing structure
- Or a combination of both

Eligible uses include:

- Mixed-use residential (10+ units with 100% ground floor commercial use)
- Commercial (office, retail)
- Cultural (museums, theaters, performance venues)
- Industrial and Manufacturing
- Institutional (healthcare, education)
- Social Services (workforce development, homeless interventions, etc.)

**Projects must be received as proposals, meaning construction of these projects must not be completed, or in progress, when the application is submitted.**

# GRANT STRUCTURE: CDG- MEDIUM AND LARGE

---

- Medium Grants fund up to 50% of total proposed project costs, in an amount between \$300,001 and \$5,000,000.
- Large Grants fund a percentage of total proposed project costs subject to variability based on underwriting review, but in excess of \$5,000,000.
- Funding source and amount are determined by the City, pending adequate, eligible project costs.
- All financing needed to complete the proposed project, outside of the grant, is the **responsibility of the applicant**, either through equity, debt, gifts of funds, and/or additional subsidies or grants.



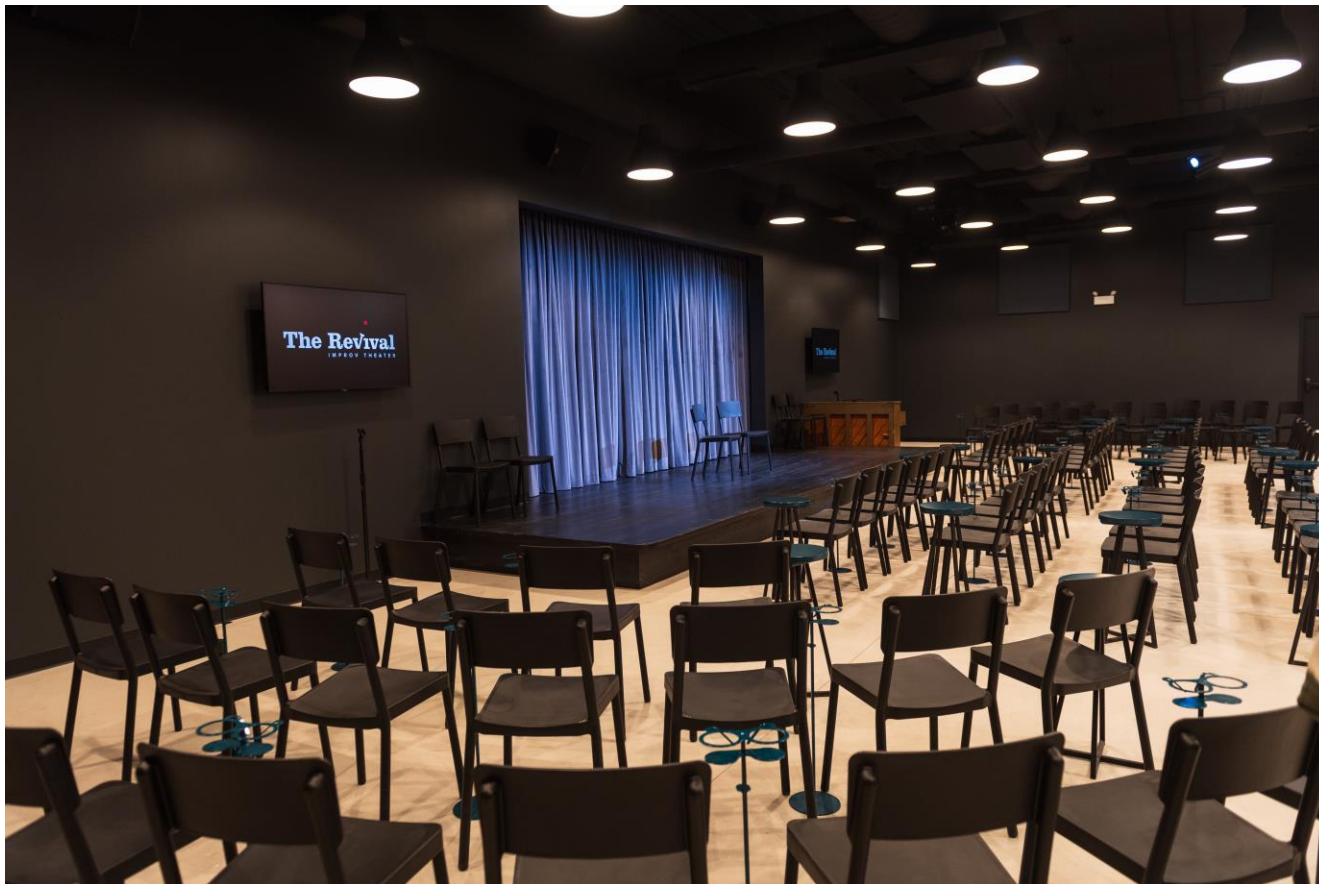
# APPLICATION REVIEW: CDG MEDIUM AND LARGE

---

- Staff determine if the proposed project is eligible based on the amount being requested, the proposed project type, and the proposed uses of funds.
- Projects deemed ineligible will not be fully reviewed by DPD.
- Projects determined eligible reviewed for:
  - Potential zoning, design, historic preservation, and city-owned land/resource issues
  - All, relevant incentives (TIF, NOF and HED Bonds)
  - Readiness and impact

# ★ CDG-S: THE REVIVAL

- The Revival built a new theater to house their performances and classes. It was a full renovation of a vacant building into a theater, bar, and classroom.
- Grant Program: CDG- Small
- Project Type: Commercial
- Total Grant Amount: \$250,000



# ELIGIBILITY: CDG-SMALL

---

- Business owners and entrepreneurs, property owners, non-profit organizations, and community developers for **revenue-generating projects**
- Properties located in the City of Chicago
- Commercial, mixed-use, and light manufacturing projects
  - Mixed-use projects must be part of a larger commercial project, residential expenses must not exceed 25% of the total grant amount. Eligible residential expenses must be part of larger, building wide systems/improvements (e.g. plumbing, tuckpointing).
- Land acquisition is eligible as part of a larger commercial project. Land acquisition must not exceed 25% of the total grant amount
- New Construction at vacant sites
- "Vanilla box" projects with a strong community impact, 100% of ground floor tenants must be identified to receive the full grant amount.

# GRANT STRUCTURE: CDG-SMALL

---

- CDG-Small grants are provided as a reimbursement for up to 75% of the total eligible project expenses with a maximum grant of \$250,000.
- Grant awards are capped based on the eligible costs you provide in your application's project financing table.
- Strong applicants will provide proof that they are able to finance 50% of the total project cost.
- Awarded projects can request reimbursements at four specific, verifiable, project milestones during construction.

Grant awards are based on eligible costs from architectural/engineering bids and general contracting bids provided by the applicant.



# ★ NOF: SISTERS IN CINEMA

- The Sisters in Cinema Media Arts Center acquired property and renovated a vacant building into a theater, gallery and film making studio to continue to support their vision of equitable opportunities for Black girls, women and gender nonconforming storytellers.
- Grant Program: NOF
- Project Type: Non-profit
- Total Grant Amount: \$250,000



# ELIGIBILITY: NOF

---

## Eligible Applicants

- **All NOF Grants must be in an NOF eligible or priority corridor. Learn more at [Chicago.gov/NOF](https://chicago.gov/NOF)**
- Commercial Property Owners with known business, Commercial Business Tenants (with landlord approval)
- Non-Profit organizations providing a revenue generating commercial activity to the public
- Minor site improvements (e.g. fencing or planters) when part of an eligible project\*

## Eligible Expenses

- Building acquisition\*\*, demolition and environmental remediation
- Security measures
- Roofing, façade and mechanical system repairs
- Architectural and engineering fees
- HVAC, plumbing and electrical

*\* Only eligible expenses can be covered by NOF grant funds. Other items can be included in the total project cost, but those will not be reimbursable.*

*\*\*Acquisition costs can not be paid with NOF grant funds; however, acquisition costs can be used to increase the amount of grant available for property renovation or new construction costs*

# GRANT STRUCTURE: NOF

---

NOF provides a reimbursement grant up to \$250,000 for construction and renovation. Accepted projects may be eligible for additional funds up to 20% of their grant amount for NOF-approved Technical Assistance providers.

## Up to \$250,000.00 for construction

- 75% of eligible project costs, a maximum \$250,000 grant
  - Hard costs include, but are not limited to, carpentry, mechanicals, painting, etc.

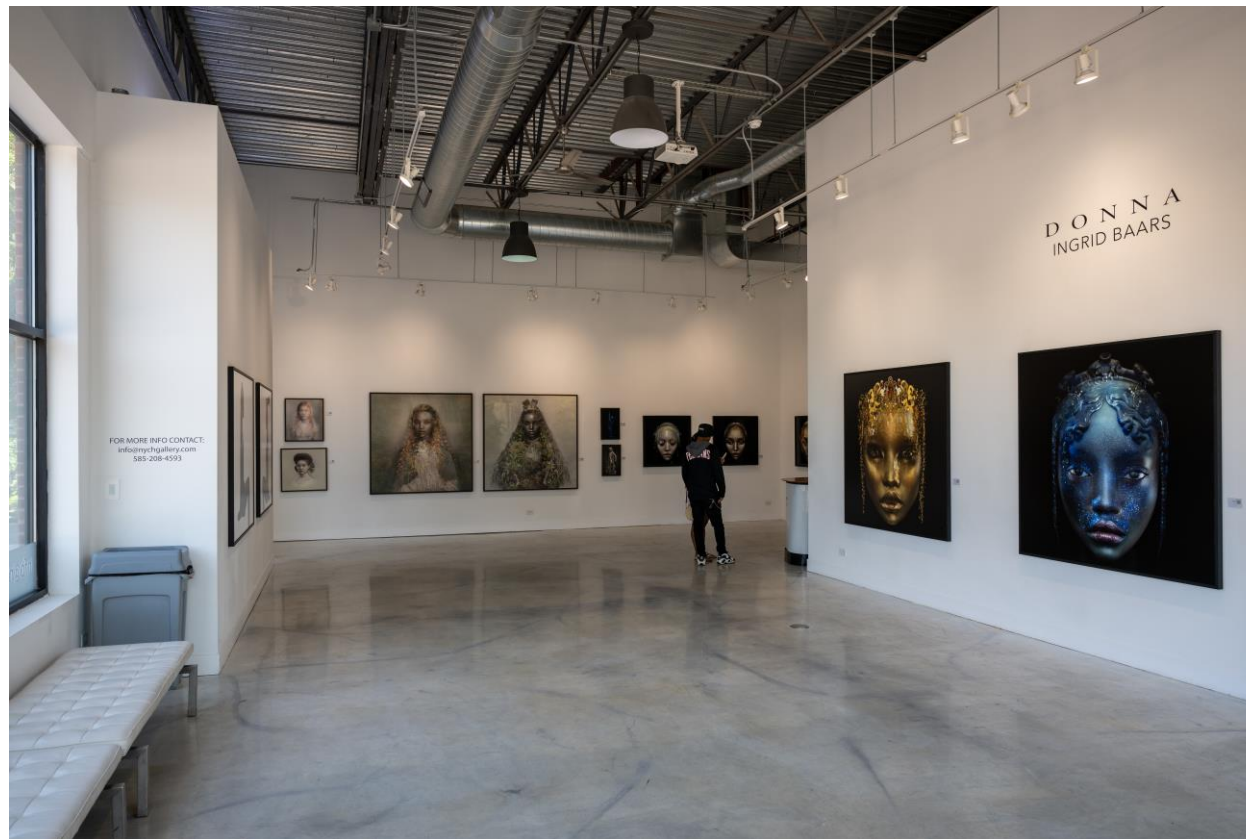
## Up to \$50,000.00 for technical assistance

- The NOF Technical Assistance (TA) program covers 20% of the value of the construction grant up to \$50,000.00
- NOF Finalists working with approved TA providers have access to this fund
- Eligible TA expenses cover architectural and project management services

Grant funds are disbursed in up to three draws based on documented, verifiable, project progress.

# SBIF: NYCH GALLERY

- Contemporary and urban street art gallery in the Pilsen arts district. Received SBIF funding for expansion and renovation of commercial space including plumbing, electrical, drywall and architectural drawings among other improvements.
- Grant Program: SBIF
- Project Type: Commercial
- Total Grant Amount: \$65,250





# ELIGIBILITY: SBIF

## Applicant Type:

- Landlords - commercial or industrial properties
- Owner/Operators – commercial or industrial business owners who own the property
- Tenants with prior written approval from property owner
- Start-ups may apply with a business plan
- **Property must be in a TIF district where SBIF funds are available and is authorized to accept applications.**  
**Learn more [Chicago.gov/sbif](https://chicago.gov/sbif).**

## Eligibility:

<b>Commercial or Industrial Landlord</b>	\$9M or less cumulative net worth and \$500K liquid assets max per individual
<b>Commercial Tenant or Owner-Occupied *</b>	Average \$9M or less gross sales per year
<b>Industrial Tenant or Owner-Occupied *</b>	200 or fewer full-time employees

**A current Chicago business license is required.**

# GRANT STRUCTURE: SBIF

---

**The maximum grant amount varies by property and applicant type:**

- **\$250,000** maximum per industrial property
- **\$150,000** maximum per commercial property occupied by a single owner/tenant
- **\$250,000** maximum per commercial property occupied by multiple owners/tenants, with \$75,000 maximum assistance per individual applicant

*SBIF applications and SBIF grants are non-transferrable between applicants and/or properties. Applicants who wish to apply for SBIF funds for more than one property must submit separate applications for each property.*

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

# GRANT STRUCTURE: SBIF

---

**SBIF provide reimbursement grants at the rates below by property and applicant type:**

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



# APPLICATION TIPS



# READINESS AND FEASIBILITY

---

**Strong applications will provide proof of project readiness, including:**

- An itemized budget supported by a City-licensed contractor's bid
- Design documents provided by a State-licensed architect (NOF/CDG only)
- **Proof of financing for at least 50% to 100% of the total project cost, or a plan to secure financing**
- Detailed business plan (start-ups) and/or up-to-date profit and loss statements (existing businesses)
- Audited tax documents from prior years



# SITE CONTROL

---

**All applications must include proof of site control, acceptable documents include:**

- **Lease:** An executed lease for the project site in your business's legal name (as listed on the application) for multiple years with the option to renew.
- **Deed / Real Estate Contract** for the project location with the name of your business entity (as listed on the application).
- **A Letter of Intent** for the project location, **signed by both the intended lessor and lessee**, including the name of your business entity (as listed on the application).
  - Applicants will need signed lease/deed before contract issuance

# FINANCING

---

- Project owners must provide proof of financing for at least 50% to 100% of the total project cost with **evidence** of said funds.
- Examples of what constitutes an acceptable and unacceptable example of proof of financing is on the next slide.

# FINANCING

Funding Type	Dollar Amount	Additional Notes (Optional)	Anticipated (Answer "Secured" or "Anticipated")
Business Checking/Savings	\$ 130,000	Latest Bank Statement from Bank A Attached	Secured
Personal Checking/Savings	\$ 28,500	Latest Bank Statement from Bank B Attached	Secured
Loans from Financial Institutions	\$ 80,000	Loan Commitment Letter Attached	Secured
Loans from Individuals			
Securities (Stocks and Bonds)			
Gifts from Private Individuals			
Gifts/Grants from Institutions (Federal, State, Non-Profit):			
Gifts/Grants from the City of Chicago:			
Crowd-Funding:			
Other Funding Sources:			
Total	\$ 238,500		

## Unacceptable examples will...

- Provide insufficient detail, noting that funds are only anticipated
- Not provide any specific evidence for that funding type
- List the City grant itself under the Proof of Financing



## Acceptable examples will...

- Have specific evidence attached to the application, such as your latest bank statements or a loan commitment letter
- Be more than 50% of the total project cost

Funding Type	Dollar Amount	Additional Notes (Optional)	Anticipated (Answer "Secured" or "Anticipated")
Business Checking/Savings			
Personal Checking/Savings	\$ 75,000		Anticipated
Loans from Financial Institutions			
Loans from Individuals			
Securities (Stocks and Bonds)			
Gifts from Private Individuals			
Gifts/Grants from Institutions (Federal, State, Non-Profit):			
Gifts/Grants from the City of Chicago:	\$ 250,000	CDG Small Grant	
Crowd-Funding:			
Other Funding Sources:			
Total	\$ 325,000		

# PROJECT BUDGET

---

- **Grant awards are determined by eligible, itemized expenses provided in the application.** Successful applications will provide a detailed list and indicate which costs are supported by contractor estimate.
- Applicants will need to provide a comparable, itemized bid for every single eligible expense.
- Project contingencies are **strongly encouraged** to mitigate cost overruns, as award amounts are capped.



# PROJECT BUDGET

Cost Category	Amount (US Dollar)	Additional Notes	Supported with contractor bid/estimate? (Answer "Yes" or "No")
Design/Architecture Fees	\$ 7,800.00	Already Paid	No
Permitting Fees	\$ 500.00		No
Demolition/Site Preparation	\$ 2,800.00		No
Roofing	N/A	No roofing work needed	N/A
Walls	\$ 7,800.00		Yes
Floors	\$ 1,500.00		Yes
Windows	N/A	Now windows needed	N/A
Doors	\$ 9,764.00		Yes
Masonry	\$ 7,000.00		Yes
Plumbing	\$ 24,000.00		Yes
HVAC/Mechanical	\$ 32,000.00		Yes
Electrical	\$ 30,200.00		Yes
Carpentry	\$ 4,500.00		No
Building System Security	\$ 3,700.00		No
Outdoor Landscaping/Signage	\$ -		N/A
Finishes and Fixtures	\$ 7,000.00		No
Furniture and Equipment	\$ 12,000.00		No
Other Non-Construction Costs (please describe in additional notes)	\$ -		
Other Construction Costs (please describe in additional notes)	\$ -		
Property Acquisition Cost	\$ -		
Total Construction Costs	\$ 131,564.00		
Total Non Construction Costs	\$ 19,000.00		
Project Contingency (10%)	\$ 13,156.40		
Total Project Costs	\$ 163,720.40		

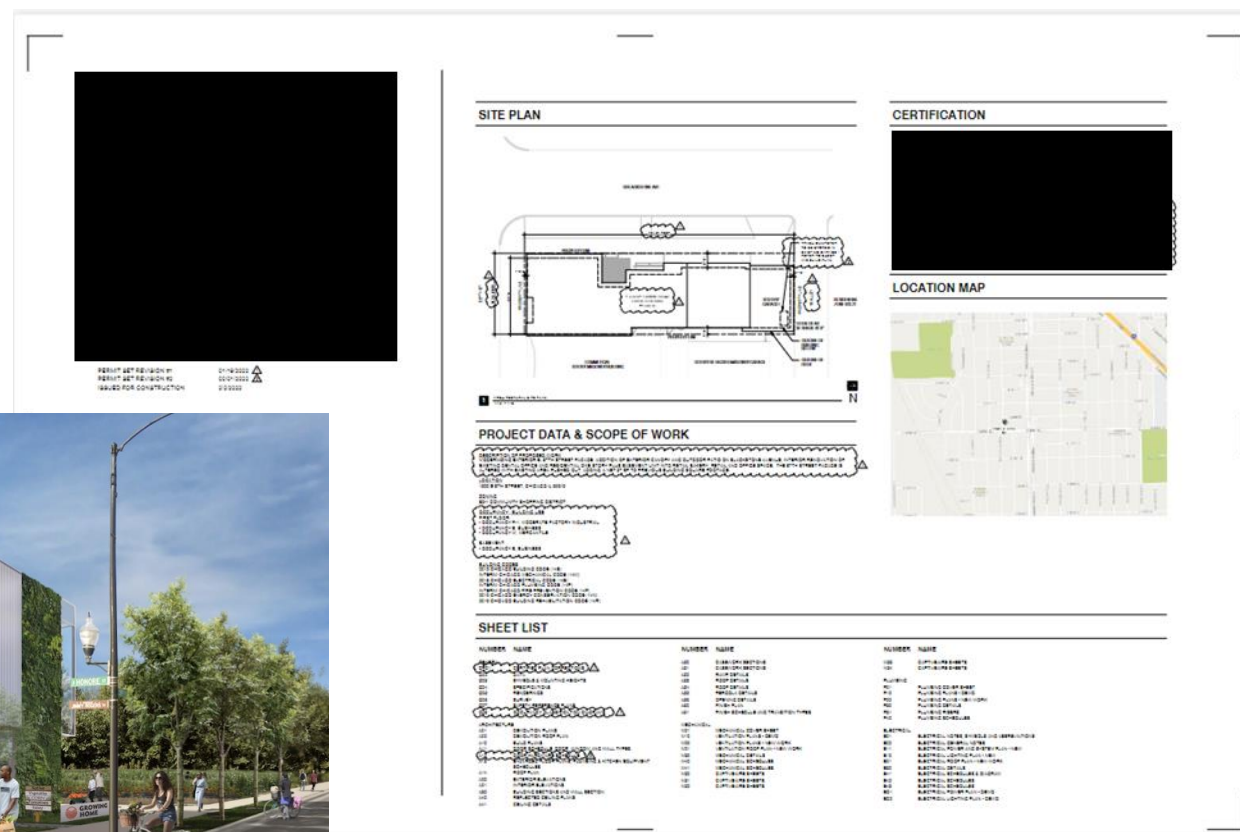
➤ Project budgets will:

- Have accurate cost estimates, because that will impact the overall grant award
- Be supported by actual bids by potential contractors
- Include detail, and be sufficiently itemized
- Not include ineligible costs, like Fixtures, Furniture and Equipment line item shaded in yellow



# ★ DESIGN AND CONSTRUCTION PLANS

Providing design documents and construction plans help to demonstrate a project's readiness.



# APPLICATION REVIEW

1

## Readiness

Projects can demonstrate readiness by providing:

- Site control documentation
- A detailed project budget and construction timeline
- Construction and design documents

2

## Feasibility

Projects are more competitive when:

- 50% or more of project financing has been secured
- Permits have been issued
- A detailed business plan and leadership team summary is included
- A profit and loss statement or demonstration of financial stability is included

3

## Community Impact

Explain how your project will contribute to the community

- Incorporate the neighborhood design guidelines in your plans
- Submit letters of support from community members and elected officials
- Provide a detailed plan for community engagement and outreach
- Introduce yourself and your project to your Alderperson

4

## Due Diligence

Before moving forward with an application, the City will:

- Check for City-owned debt, Cook County property tax debt, and zoning compliance
- Work with the Department of Buildings and Department of Business Affairs and Consumer Protection to review your organization, project feasibility, and project site
- Confirm your business is in Good Standing with the State of Illinois

\*Not all programs have the same requirements, SBIF applicants have different requirements and should confirm at [Chicago.gov/SBIF](https://chicago.gov/SBIF).

# COMMON APP MISTAKES

---

- Failure to upload documents that are referenced
  - Applicant checks 'Yes' for site control, but then does not upload deed/lease
- Poor time management
  - Applicant waits until last minute to submit application, not accounting for potential technology or submission issues
- Incomplete responses
  - Applicant answers some, but not all, of the application questions
- Incomplete applications
  - Applicant fails to respond to all required questions



# KEY DATES AND RESOURCES



# HOW TO APPLY: CDG

---

- **Register on the City of Chicago Submittable page (for free) to review and complete the application.**
- **Read and answer all questions thoroughly and completely.**
- **Provide all required documents.**
- **Provide all supplemental documents, where available:**
  - ☐ Design and Construction documents
  - ☐ Business plans
  - ☐ Community letters of support
- **Final CDG –Small deadline in 2024 – apply by 11:59 AM on Nov. 8, 2024.** No late applications will be accepted.
- CDG-L is a rolling application year-round; CDG-M has bi-annual deadlines in Feb/Aug.



# HOW TO APPLY: NOF

---

- **Verify project address is within the eligible geography.**
- **Register on the City of Chicago Submittable page (for free) to review and complete the application.**
- **Read and answer all questions thoroughly and completely.**
- **Provide all required documents.**
- **Provide all supplemental documents, where available:**
  - ☐ Proof of Financing documents
  - ☐ Proof of Site Control documents
  - ☐ Business plans
  - ☐ Other supporting documents (Economic Disclosure Statements, Affidavits, etc.)
- **Next round anticipated to open in Q4 2024.** Applications will be accepted on a rolling basis with quarterly round deadlines.

# HOW TO APPLY: SBIF

---

- Download the SBIF application from the SBIF website ([chicago.gov/sbif](https://chicago.gov/sbif)).
- Check your address on the SBIF locator tool to see what TIF it is in and when the SBIF rolls out to accept applications.
- Attend or watch recording of SBIF webinar to learn application process and program rules.
- Read and answer all questions thoroughly and completely.
- Prepare to provide all supplemental documents when required such as:
  - ☐ Design and Construction documents
  - ☐ Tax records or business plans and/or personal financial statements
  - ☐ Proof of financing
- Submit your application by 5:00 P.M. on the 30th of the month the when the SBIF is open for applications. No late applications will be accepted.

# RESOURCE PAGES

---

- **Community Development Grants:** [Chicago.gov/CDG](https://chicago.gov/CDG)
- **Neighborhood Opportunity Fund:** [Chicago.gov/NOF](https://chicago.gov/NOF)
- **Small Business Improvement Fund:** [Chicago.gov/SBIF](https://chicago.gov/SBIF)

# Questions for DPD?

CONTACT US!

**CDG- Med/Large**  
[FID\\_intake@CityofChicago.org](mailto:FID_intake@CityofChicago.org)

**CDG-Small:**  
[Hannah.Jones@cityofchicago.org](mailto:Hannah.Jones@cityofchicago.org)

**NOF:**  
[Joshua.Son@cityofchicago.org](mailto:Joshua.Son@cityofchicago.org)

**SBIF:**  
[Nora.Curry@cityofchicago.org](mailto:Nora.Curry@cityofchicago.org)





# Questions for DCASE?

CONTACT US!

**DCASE Cultural Resources**  
[CulturalResources@cityofchicago.org](mailto:CulturalResources@cityofchicago.org)

Sign up for DCASE Office Hours  
(take place the 3<sup>rd</sup> Wednesday of the month)



Sign up for the DCASE Newsletter

