



Small Business Improvement Fund

Maurice D. Cox, Commissioner

# February 2021 District Rollout



Mayor Lori E. Lightfoot

# Presentation Guideposts



## ➤ 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?
- Do I meet the SBIF Eligibility Requirements?
- What are the SBIF Program Rules?
- How do I apply and what is the program timeline?
- What resources are available to help?

## ➤ January 2021 Rollout Information & Sample Projects

## ➤ SBIF FAQs

## ➤ Additional Q&A

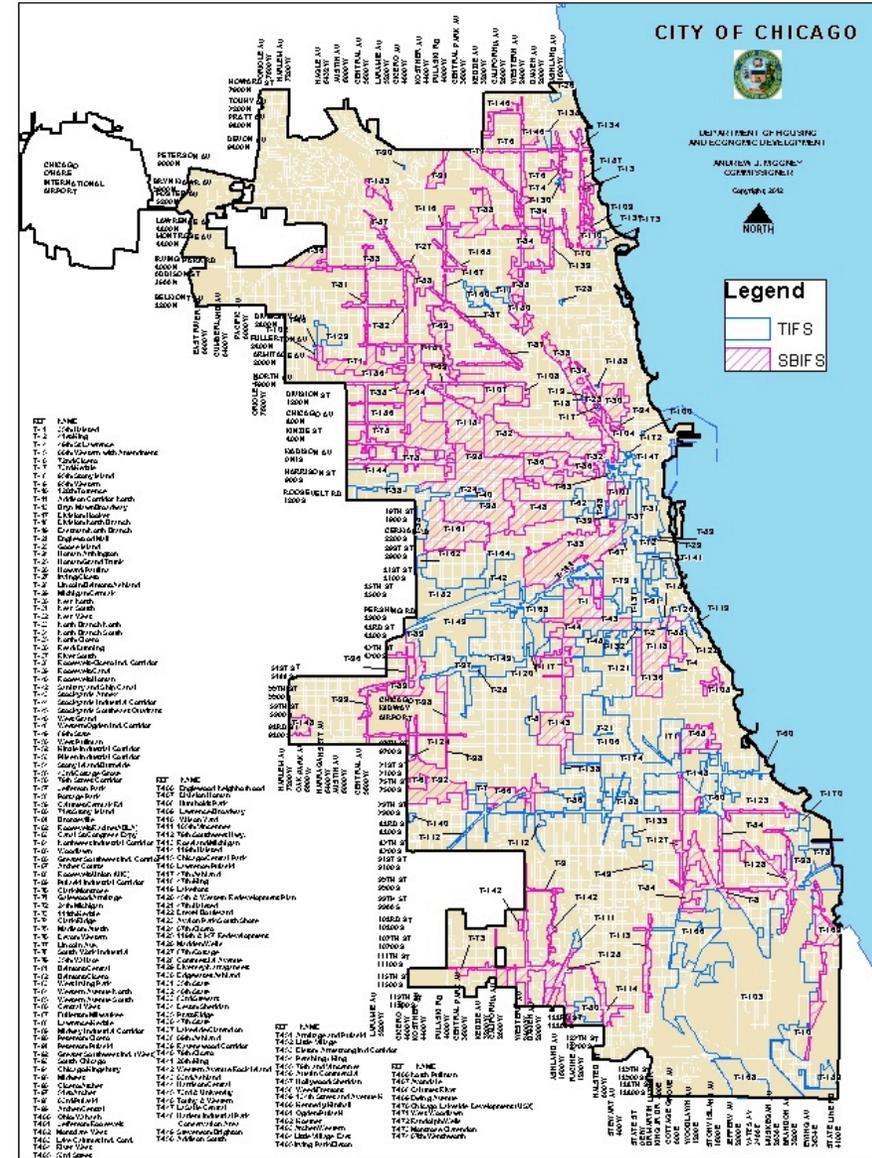


# What is SBIF: Program Mission

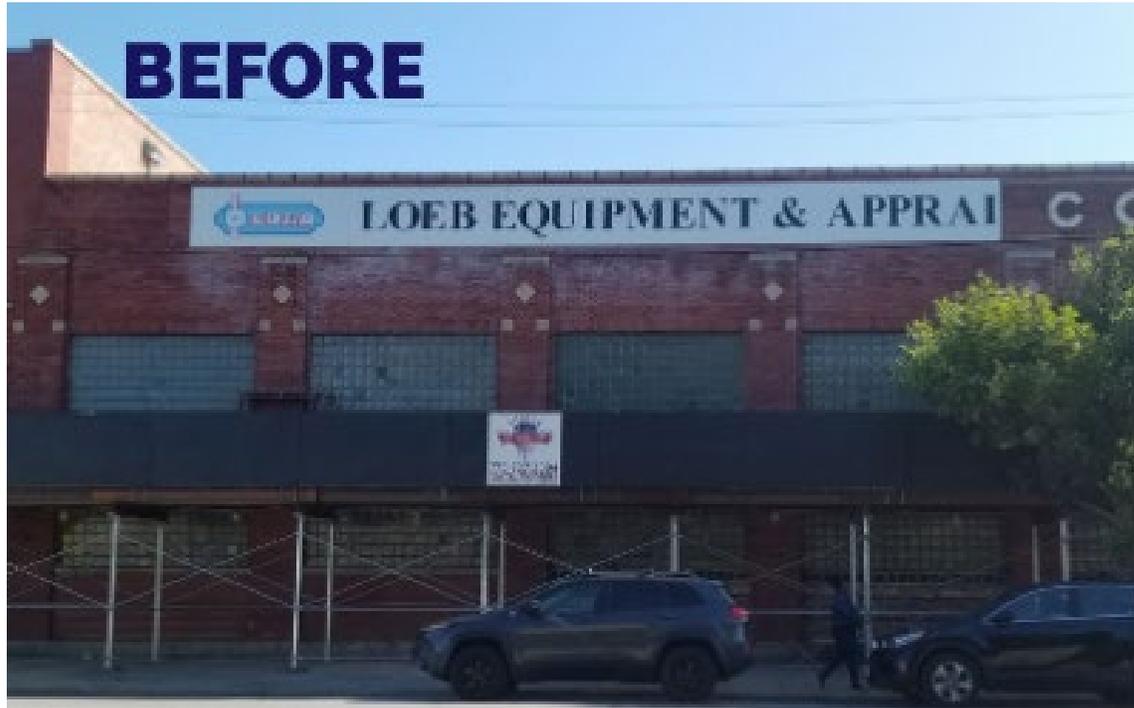


Launched in 1999, the City of Chicago's Small Business Improvement Fund (SBIF) promotes economic development by providing small businesses and landlords with **reimbursable grants for permanent building improvement costs**. Residential projects are not eligible.

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



**Omni Ecosystems**  
**47<sup>th</sup>/King**  
**4131 S State St**

## **The maximum grant amount allowed under (SBIF):**

- \$250,000 maximum assistance per industrial property
- \$150,000 maximum assistance 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.

**Your reimbursement percentage will be determined according to your appropriate application type (Landlord, Tenant, Owner-occupied, Industrial). Factors that determine reimbursement percentage and related financial eligibility criteria are business gross sales/not for-profit gross receipts, landlord net worth, landlord liquidity, and number of full-time equivalent employees, depending upon application type.**

- **Commercial Business (Tenant Applicant) – based on gross sales/gross receipts for nonprofit**
  - o \$0-\$3M = eligible for 90% reimbursement
  - o \$3-\$6M = eligible for 60% reimbursement
  - o \$6-\$9M = eligible for 30% reimbursement
- **Commercial Business (Landlord Applicant/no interest in the business leasing the space) – is based on net worth with a liquid assets cap of \$500,000 per individual**
  - o \$0-\$3M = eligible for 90% reimbursement
  - o \$3-\$6M = eligible for 60% reimbursement
  - o \$6-\$9M = eligible for 30% reimbursement
- **Commercial Business (Owner-Occupied Property) –**
  - o The above-mentioned schedules for both net worth AND sales AND all requirements for Landlord and Commercial Tenant types also apply. If the applicant should fall within different eligibility ranges for net worth and sales, then the applicant will be eligible for the lesser of the two percentages.
- **Industrial Business (for both Building Owner or Tenant Business)**
  - o Eligible for 50% reimbursement with 200 or fewer full-time employees

## 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](http://www.somercor.com/sbif) to see if your property is in a SBIF district:

The image shows a composite of two screenshots from the Somercor website. The top screenshot is a dark-themed landing page titled "GET STARTED:" with the text: "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](mailto:sbif@somercor.com)". Below this are four numbered steps: 1) Confirm your business is in a SBIF District, 2) Check which SBIF Districts are Open, 3) Review SBIF Eligibility Requirements, and 4) Review SBIF Program. A large red arrow labeled "Step 1: Click Here" points to the first step. A white button at the bottom says "CLICK HERE TO COMPLETE SBIF APPLICATION". The bottom screenshot shows a browser window at [somercor.com/article\\_am-i-in-a-sbif-district/](http://somercor.com/article_am-i-in-a-sbif-district/). The page content includes the text "you are in a TIF district." followed by a list of instructions: 1. Go to the City's zoning map tool website: <https://gisapps.cityofchicago.org/zoning>; 2. When you arrive at the City of Chicago's zoning page, click on the zoning map icon, and then click accept. After accepting, the mapping tool will load. Below this is a screenshot of the City of Chicago zoning map tool interface. A second large red arrow labeled "Step 2: Click Here" points to the map tool. A navigation menu on the left of both screenshots lists: HOME, LOANS, CITY OF CHICAGO SBIF, ABOUT, BLOG, COVID-19 RESOURCES, and a SEARCH function. Social media icons for LinkedIn, Facebook, and Instagram are at the bottom.

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



gisapps.chicago.gov

City of Chicago Department of Planning and Development

Search by Address or PIN #

Advanced Tools Clear Map Print Map Legend Overview Help

Step 3: Enter Your Address Here

City of Chicago Small Business In x City of Chicago:Zoning Website x

gisapps.chicago.gov/ZoningMapWeb/?liab=1&config=zoning

City of Chicago Zoning and Land Use Map Department of Planning and Development

1008 W 79th St, Chicago, IL 6062

Advanced Tools Aerial Clear Map Print Map Legend Overview Help

Step 4: Click on Address Pin

<b>Building Address</b>	1004 W 79TH ST (883584)
<b>Parcels</b>	PIN #: 2029427034 Parcel Address 1004-1008 W 79TH ST
<b>Tax Increment Financing (TIF)</b>	79th Street Corridor Ref. Number : T-56
<b>Ward</b>	17
<b>Community Area</b>	AUBURN GRESHAM
<b>Map Layers</b>	
<b>Measure</b>	
<b>Saved Locations</b>	

Step 5: Confirm SBIF District Name

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



There are 95 eligible SBIF districts in Chicago – spanning 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](http://www.somercor.com/sbif) for the most up to date list of Open and On Deck Districts.



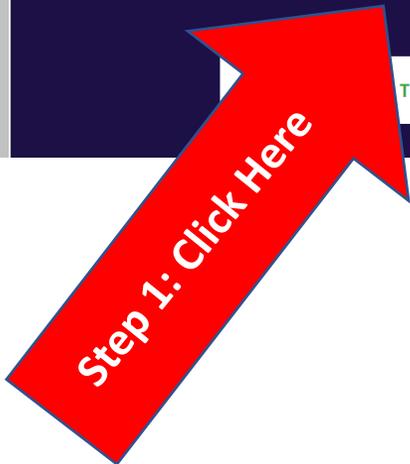
- HOME
- LOANS
- CITY OF CHICAGO SBIF
- ABOUT
- BLOG
- COVID-19 RESOURCES
- SEARCH

**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](mailto: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](#)



- HOME
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## Open SBIF Districts

District Name	Open Date	Close Date	District Map
Kinzie Industrial Corridor	January 4, 2021	February 8, 2021	<a href="#">Map Link</a>
North/Cicero	January 4, 2021	February 8, 2021	<a href="#">Map Link</a>
Peterson/Pulaski	January 4, 2021	February 8, 2021	<a href="#">Map Link</a>
Pilsen Industrial Corridor	January 4, 2021	February 8, 2021	<a href="#">Map Link</a>
Roosevelt/Cicero Industrial Corridor	January 4, 2021	February 8, 2021	<a href="#">Map Link</a>

[Edit](#)

## On Deck SBIF Districts

District Name	Open Date	Close Date	District Map
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## Who can apply for a SBIF grant?

Business and property owners can apply if they are in SBIF districts in the City of Chicago that are currently accepting new applications for the program. Business owners can own or lease their places of business. Landlords of commercial or industrial properties can also apply. **A current Chicago business license is required:**

- **Commercial Business (owner-occupied):** Annual sales must total less than \$9,000,000.
- **Industrial Business (owner-occupied):** Must have 200 or fewer full-time equivalent employees.
- **Landlord:** Property owners must have a combined net worth that does not exceed \$9,000,000 and total liquid assets that do not exceed \$500,000. (Examples of liquid assets are cash on hand, and non-retirement stocks and bonds.) This requirement shall also apply to Industrial Businesses that lease any portion of the property to one or more entities which do not share common ownership with the applicant business.
- **Tenant:** Annual sales of less than \$9,000,000, with express prior property owner approval.

## 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

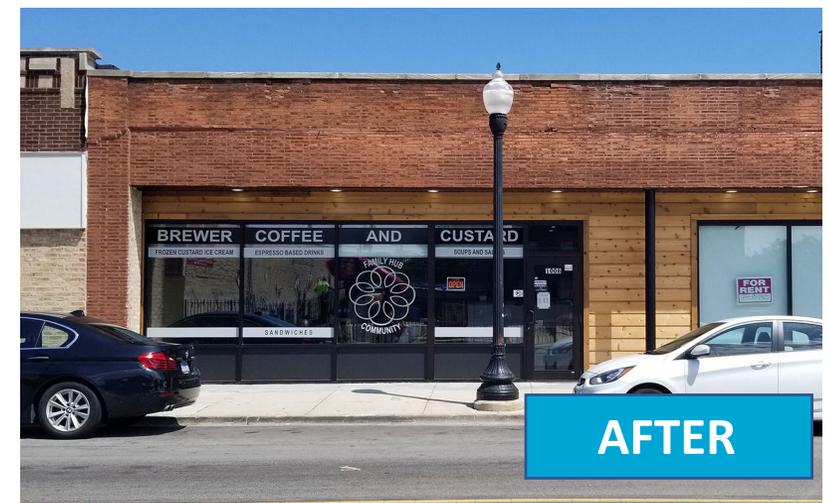
This list is not comprehensive.



## 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?

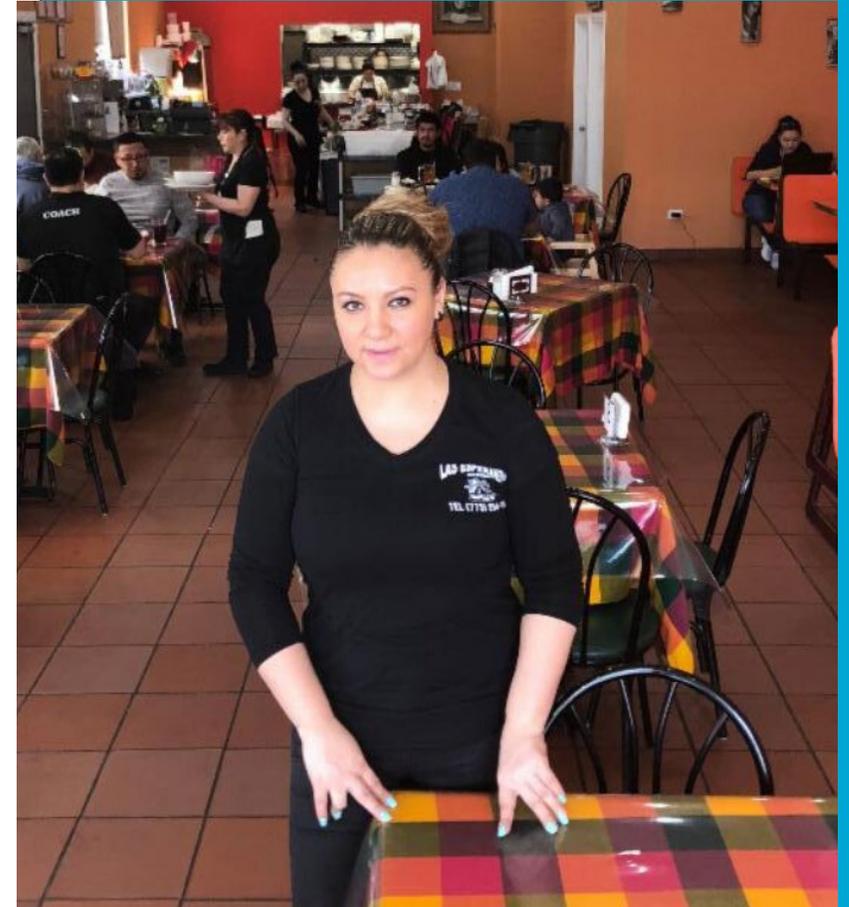
In order to receive funding, projects must conform to design requirements including meeting DPD's Design Guidelines (found at [www.somercor.com/sbif](http://www.somercor.com/sbif)). Projects shall also comply with design guidelines and additional neighborhood requirements as described in guidelines, 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](http://www.somercor.com/sbif).  
To apply, complete the application and email to [sbif@somercor.com](mailto:sbif@somercor.com) within the designated open period.



HOME

LOANS

CITY OF CHICAGO  
SBIF

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COVID-19  
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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](mailto:sbif@somercor.com)



1) **Confirm your business is in a SBIF District**



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

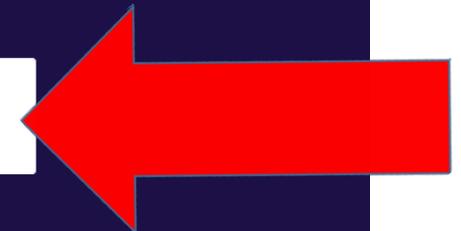


3) **Review SBIF Eligibility Requirements**



4) **Review SBIF Program Rules**

[CLICK HERE TO COMPLETE SBIF APPLICATION](#)



# Getting Started: 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 approval of grant funds can be fully considered.*

**Stage 3** – *Applicant provides proof of sufficient funds to complete the project: up to 120 days following the date of the commitment letter.*

**Stage 3** - *Construction is completed or land is purchased: up to 10 months*

**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.



## 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](http://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 February 2021.**

**35<sup>th</sup>/Halsted**

[South Loop Chamber](#)

Donna Vohasek

(773) 254-7225

[donnas\\_southloop@msn.com](mailto:donnas_southloop@msn.com)



**Commercial Avenue**

[South Chicago Parents and Friends](#)

Dave Price

[dprice@scpf-inc.org](mailto:dprice@scpf-inc.org)

(773) 734-2222



**71<sup>st</sup>/Stony Island**

[South Shore Chamber](#)

Ciera Whitaker

[cwhitaker@southshorechamberinc.org](mailto:cwhitaker@southshorechamberinc.org)

(773) 955-9508

**Woodlawn & West Woodlawn**

[Sunshine Gospel Ministries](#)

Joel Hamernick

[joel@sunshinegospel.org](mailto:joel@sunshinegospel.org)

(773) 904-9800



## February 2021 Open SBIF Districts Accepting Applications through March 3<sup>rd</sup> at 5PM CST

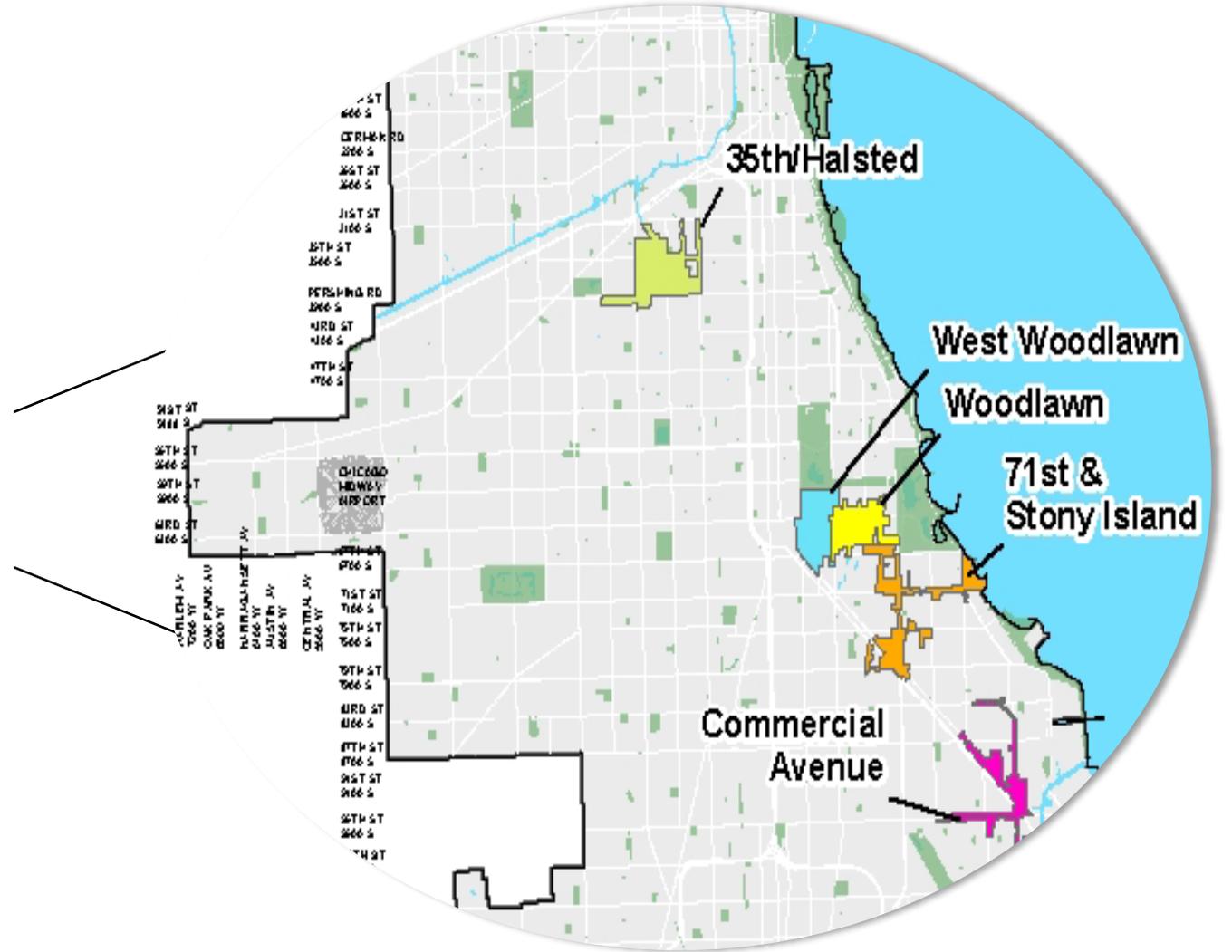
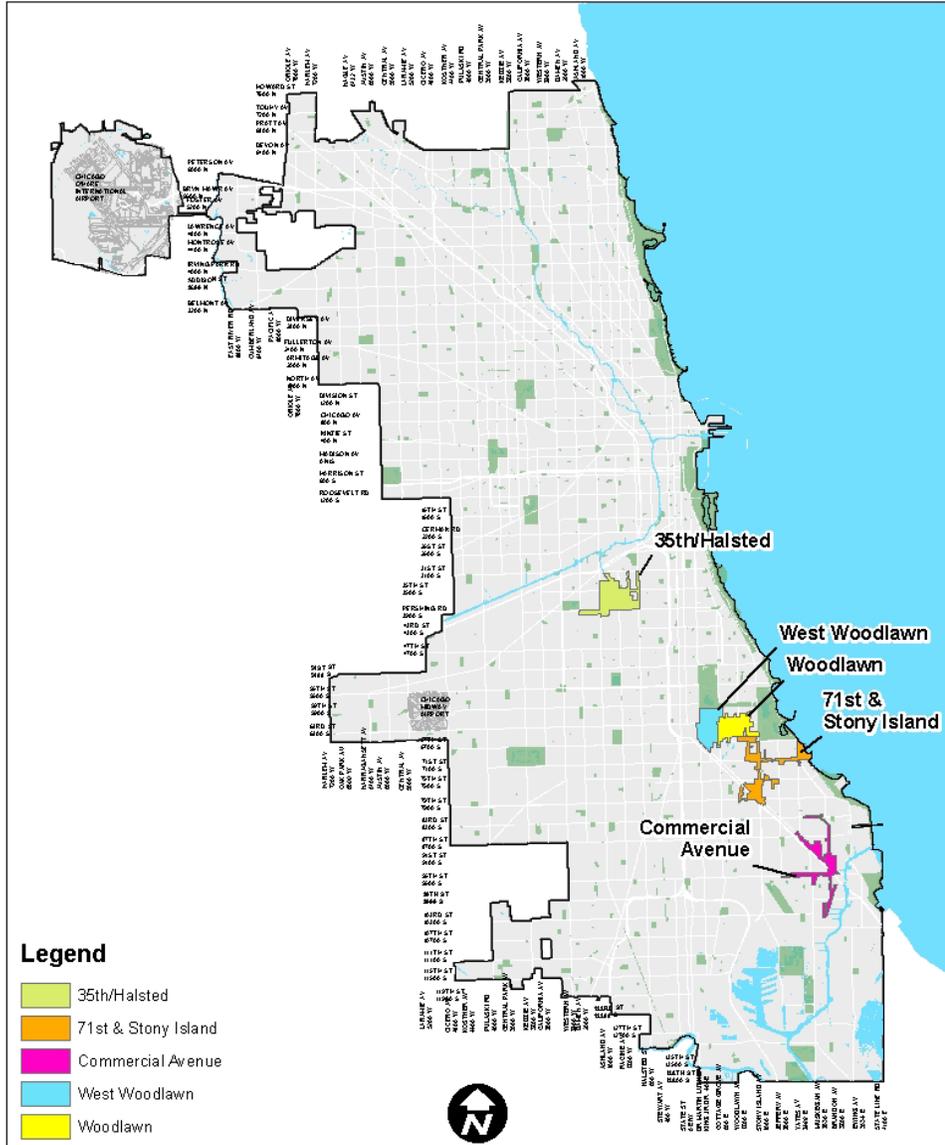
- 35th/Halsted
- 71st / Stony Island
- Commercial Avenue
- West Woodlawn
- Woodlawn

**Applications received for these areas will NOT be accepted after 5pm CST on Wednesday, March 3rd.**

Submit via email: [sbif@somercor.com](mailto:sbif@somercor.com)

Applications can also be submitted via fax to 312-757-4371  
or USPS / UPS / FedEx / courier to SomerCor's offices  
(601 S. LaSalle Street, Suite 510, Chicago, IL 60605)

# February 2021 Rollout Information & Sample Projects



# February 2021 Rollout Information & Sample Project



**Mangololo International, Inc (Tenant: Icy Honey)**  
**35<sup>th</sup>/Halsted**  
**3132 S. Morgan St.**

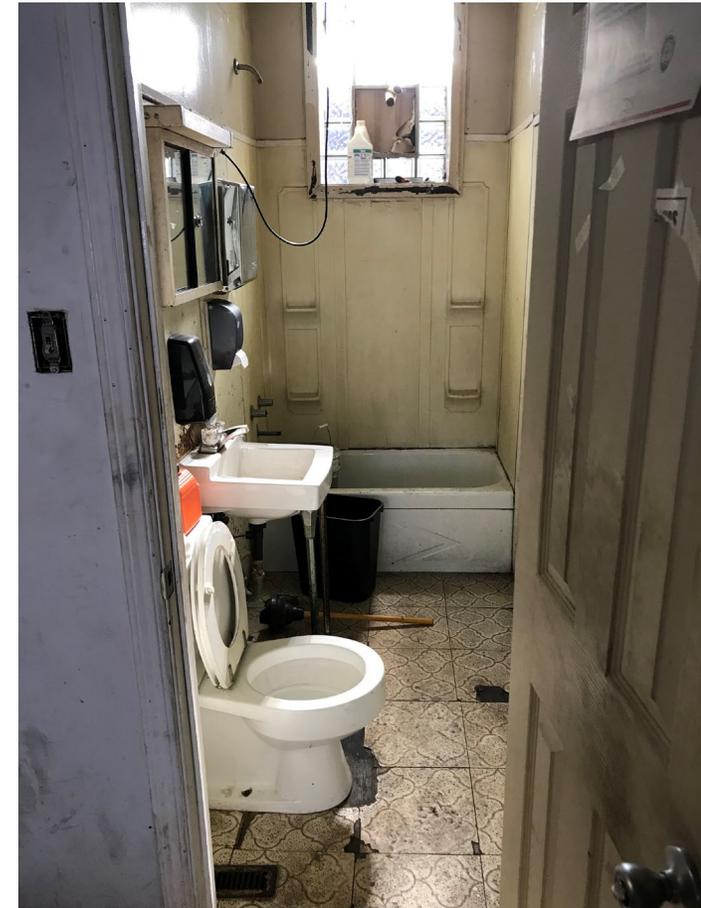
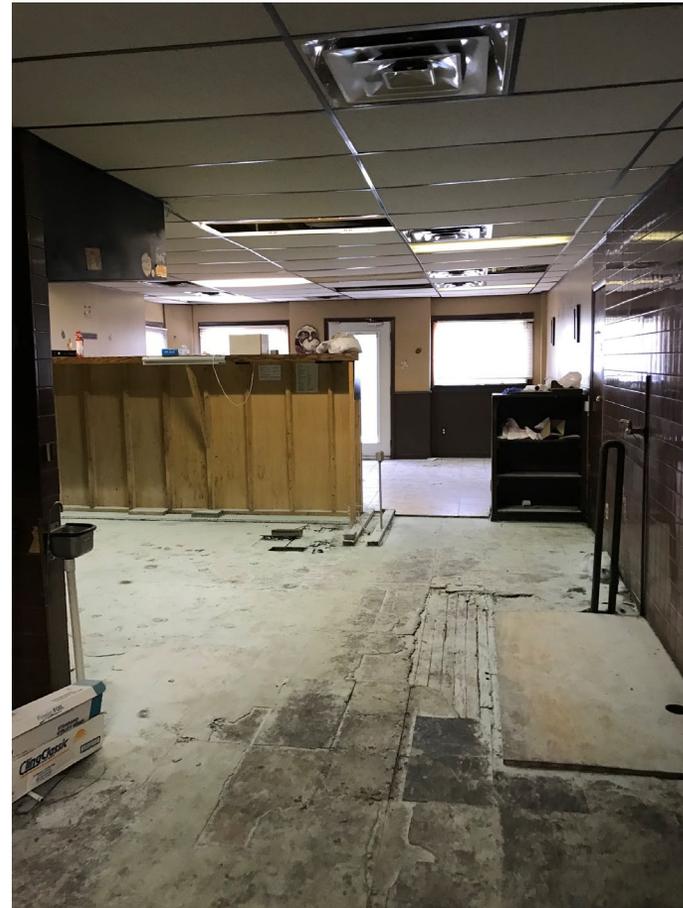
## **Mangololo International, Inc (Tenant: Icy Honey) Work Summary:**

- new storefront installation
- exterior masonry demolition and repairs
- interior demolition
- interior framing for shop buildout
- restroom buildout
- installation of new tile flooring
- painting and finishing work
- installation of new HVAC system
- plumbing and electrical system work
- permit and architectural fees

# February 2021 Rollout Information & Sample Project



BEFORE



# February 2021 Rollout Information & Sample Project



AFTER



## 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](mailto: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](mailto: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

 312-360-3334

 [sorozco@somercor.com](mailto:sorozco@somercor.com)

## Savannah Allen

SomerCor

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 [sallen@somercor.com](mailto:sallen@somercor.com)

## Anastasia Williams

SomerCor

 312-360-3336

 [awilliams@somercor.com](mailto:awilliams@somercor.com)

## Shalonda Fisher

SomerCor

 312-360-3331

 [sfisher@somercor.com](mailto:sfisher@somercor.com)

## Kim Brisky

SomerCor

 312-360-3330

 [kbrisky@somercor.com](mailto:kbrisky@somercor.com)

## Nora Curry

Dept. of Planning & Development

 312-744-1867

 [nora.curry@cityofchicago.org](mailto:nora.curry@cityofchicago.org)

[www.somercor.com/sbif](http://www.somercor.com/sbif)

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



# 2021 Additional Federal Small Business Support:



[H.R. 133, the Consolidated Appropriations Act for 2021](#) was signed into law in December 2020. This \$2.3 trillion package funds the federal government for FY21 and several COVID-19 initiatives focused on small business relief, including:

- An extension of borrower payments provided under the CARES Act for certain SBA loans
- The creation of the PPP second draw – providing for the hardest hit businesses to access a second forgivable PPP loan
- Simplifying the loan forgiveness process for borrowers with PPP loans of \$150,000 or less
- Deadline to apply for the EIDL program for COVID-19 relief is extended to December 31, 2021.
- Clarifying that forgiveness of certain loans, emergency EIDL grants, and SBA loan repayment assistance, provided by the CARES Act, shall be considered non-taxable income