

SBIF Lottery Process Information

SBIF Lottery

When more requests are received in a SBIF district application period than funds available, the City of Chicago holds a lottery, facilitated by SomerCor, **to determine the order that applications will be processed**. This lottery is conducted over video call so applicants can watch the process.

- All applications received for a district's open period are included in the lottery and randomly assigned a number.*
- The SBIF team will start processing these applications in this random order until all available grant funds have been allocated.
- Once all the available funding has been assigned, the remaining applications in the lottery are placed on a waiting list according to the order in which they were drawn.
- If additional funding becomes available, the remaining applications will be processed in order from the waiting list.
- This waiting list is active for a period of twenty-four (24) months from the date of the lottery. Only once every application has been processed or the waiting list expires, will new applications be accepted for that SBIF district.

After each lottery, results will be emailed directly to the SBIF applicants by the end of the following business day. A SomerCor representative will contact you within 2-3 weeks of the lottery to notify you if we are able to start processing your application or if your application has been put on the waitlist.

Please be advised that any work commenced prior to approval will not be eligible for grant funding.

**Please note that applicants for a property located in an INVEST South/West Corridor or SBIF Target Corridor, shall be given priority in the lottery order.*

After the Lottery

If there is funding available for an application, SomerCor will email the applicant a letter requesting additional documentation to confirm their eligibility for SBIF as well as their reimbursement rate. Applicants have 20 days to respond to that request. Required documentation varies by type of applicant, but can include:

- Proof of site control – deed for property owners, 3-year lease for tenants
- Economic Disclosure Statement and Affidavit completed by applicant entity
- Tax returns, income and expense projections, or personal financial statements, depending on type of applicant
- Tenants' leases, if applicant is a landlord
- Valid and current business license for businesses operating in property
- List of board members for not-for-profit applicants

If the application is eligible, it will move on to project review. If it is ineligible, the application will be removed, and the funds will be made available for the next application in order of the lottery drawing.

If there is not funding available for an application, it will be placed on the waiting list, which will remain active for 2 years or until the TIF expires, whichever comes first. If additional funding becomes available, SomerCor will reach out to start the SBIF process with applications on the waiting list before any new application will be accepted. Please be advised that any work commenced prior to approval will not be eligible for grant funding.

Lottery Process

- Eligible applicants for property located in an INVEST South/West Corridor are given priority for funding and the lottery.
- Eligible applicants for property located in a SBIF Target Corridor are second in priority for funding and the lottery.
- The remaining eligible applicants shall be provided funding and placed on the waitlist after eligible applicants in the INVEST South/West Corridors and the SBIF Target Corridors.
- In SBIF districts with no INVEST South/West Corridors and no SBIF Target Corridors, all applications received during the application period are included in the lottery and randomly assigned a number determined through the lottery.
- The SBIF team will begin review of these applications in the lottery order until all available grant funds have been reserved.
- Once all the available funding has been reserved, the remaining applications in the lottery are placed on a waiting list according to the order in which they were drawn.
- If additional funding becomes available, the remaining applications will be processed in order from the waiting list.
- This waiting list is active for a period of twenty-four (24) months from the date of the lottery. Only once every application has been processed or the waiting list expires, will new applications be accepted for that SBIF district.
- In SBIFs districts with INVEST South/West Corridors and/or SBIF Target Corridors, separate lotteries are performed for applications for property located in INVEST South/West Corridors, applications located for property located in SBIF Target Corridors, and applications for property in the rest of the SBIF district. Once the order of review is randomly assigned within each category, the list of applications for review is assembled with applications for property located in INVEST South/West Corridors reviewed first, applications for property located in SBIF Target Corridors reviewed second, and applications for property located in the rest of the SBIF third. Using the Initial Application, SomerCor determines preliminary eligibility and applicant type and emails applicant the Stage 1 letter requesting additional documentation to confirm applicant's eligibility and reimbursement rate.

Additional SBIF Program Rules and Policies

- Authorization
 - For for-profit operating business applicants, the business owner must submit the application for the business they own and operate directly to SomerCor including full contact information and signature that certifies that the information on the application is true and correct. Failure to meet this requirement will result in the removal of the application.
 - For not-for-profit entity applicants, the authorized agent must submit the application for the entity directly to SomerCor including full contact information (list of board of directors) and signature that certifies that the information on the application is true and correct. Failure to meet this requirement will result in the removal of the application.

- For Landlord applicants, the person and/or entity that holds title to the property must apply directly to SomerCor including full contact information and signature that certifies that the information on the application is true and correct. Failure to meet this requirement will result in the removal of the application. The grant may be prorated to exclude any residential, residential common-use areas, ineligible business uses or vacant spaces within the property.
- Applications submitted without the prior knowledge of the business owner, landlord, or authorized agent of a not-for-profit will not be accepted for review and deemed ineligible for grant funding.
- Applicants have up to 20 days to provide Stage 1 documents requested by SomerCor.
- Applicants must disclose if they have applied for other City grant programs.
- Grant funds will only be disbursed to the named grantee listed on the Affidavit of Grant Recipient. This is the person or entity that is approved and who incurred the costs of the eligible improvements.
- The Maximum Program Assistance shall be (i) less than Two Hundred and Fifty Thousand Dollars (\$250,000) maximum assistance per industrial Property; (ii) less than Two Hundred and Fifty Thousand Dollars (\$250,000) maximum assistance per industrial Property occupied by multiple owners or tenants, provided that no individual Applicant shall receive assistance greater than One Hundred Thousand Dollars (\$100,000); (iii) less than One Hundred Fifty Thousand Dollars (\$150,000) maximum assistance per commercial Property occupied by a single owner or tenant; or (iv) less than Two Hundred and Fifty Thousand Dollars (\$250,000) maximum assistance per commercial Property occupied by multiple owners or tenants, provided that no individual Applicant shall receive assistance greater than Seventy-Five Thousand Dollars (\$75,000).

For full SBIF Program Rules visits www.somercor.com/sbif.