

NEIGHBORHOOD OPPORTUNITY FUND

GRANT APPLICATION



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www.NeighborhoodOpportunityFund.com

★ ★ RAHM EMANUEL, MAYOR ★ ★



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WHAT IS THE NEIGHBORHOOD OPPORTUNITY FUND?

In 2016, Mayor Rahm Emanuel implemented reforms to the City's Zoning Code in order to ensure that the growth of downtown drives equitable development throughout the City. These changes leverage new development in and around the Loop to generate funds that will catalyze investment on Chicago's West, Southwest and South Sides.

The Neighborhood Opportunity Fund ("**NOF**") receives funds from downtown development in order to support the growth and creation of inclusively vibrant commercial corridors in Chicago's underserved neighborhoods. Business and property owners may apply for grant funding that will pay for the development or rehabilitation of real estate and projects that support new or expanding businesses or cultural assets.

Projects requesting \$250,000 or less must be located on an Eligible Commercial Corridor, so that they can be concentrated and have a bigger collective impact. Larger projects (needing grants over \$250,000) with a special neighborhood impact may be considered outside of the Eligible Commercial Corridors.

Larger projects are required to obtain City Council approval, as well as have a full Redevelopment Agreement governing the terms of a larger grant. Additionally, larger projects are subject to the City's construction compliance requirements, which includes MBE /WBE, Local Hiring and Prevailing Wage (as established by the Illinois Department of Labor). We encourage you to contact us with questions about larger projects in advance of submitting as these rules apply, but otherwise the application is the same.

APPLICANT INFORMATION

Project Property (address of the property where you are applying for an NOF Grant):

Street Address: _____

City: _____ Zip: _____

Project Property Square Footage (approximate): _____

Business Information (if applicable):

Legal Name of the Business: _____

Name you Do Business As ("DBA"): _____

Project Contact Person: _____

Title: _____

Preferred Mailing Address (if different from project property):

Contact Phone: _____ Contact Email: _____

How did you hear about the Neighborhood Opportunity Fund?

APPLICATION OUTLINE

Section I. Applicant Background: identify what type of applicant you are and provide some description about your business.

Section II. The Project Property: identify what form of site control you have (or will have) and any other conditions or issues associated with the project property.

Section III. Project Description: provide a detailed and comprehensive description of the vision and concept of your project and how it will have an impact on the community.

Section IV. Project Budget and Finances: list out the costs in your project budget (hard costs, soft costs and acquisition costs, if applicable) and complete the provided sources and uses table. The sources and uses table will identify how much grant funding you are requesting and how you will source the other funds required for your project.

Section V: Project Implementation Plan: explain how you will obtain all necessary funds (outside of the NOF grant) and any construction/development plans you have made or will make to complete your project.

SECTION I. APPLICANT BACKGROUND

Which of the following best describes you?

- Business Owner Non-Profit Organization
 Landlord/Developer Other (please describe):

If you selected “Business Owner” or “Non-Profit Organization,” please briefly describe your business or organization including the primary services it offers and the customers it serves (or will serve):

Is the business or organization a start-up? Yes* No

****If you selected “yes,” please attach a copy of your business plan, or a summary of the business if a business plan is not available.***

If the business or organization is existing, when was it started? _____

If there are other business or organization locations, please list the addresses:

If you selected “Landlord/Developer,” please briefly describe your business or organization and/or your experience owning and managing similar properties and/or similar projects:

If you selected “Other,” please briefly describe the type of entity the applicant is, the primary services it offers and the customers it serves (or will serve):

SECTION II. THE PROJECT PROPERTY

Site control is a critical element for an NOF project to be able to move forward. Applicants are encouraged to either demonstrate ownership of or a lease for the project property, or provide other evidence that shows they are in process of obtaining the project property. Other evidence could include a letter of intent, a real estate contract or any other document or record of communication that shows they have talked to a landlord or seller and they're making progress. It is not mandatory to have site control to apply, but **applicants demonstrating they have it or are making a concerted effort to obtain it will be considered stronger.**

Site Control Type:

Please check only one of the following options, then proceed to answer the corresponding question(s) below.

- | | |
|---|---|
| <input type="checkbox"/> Own | <input type="checkbox"/> Letter of Intent |
| <input type="checkbox"/> Lease | <input type="checkbox"/> Other (please describe): |
| <input type="checkbox"/> Real Estate Contract | <input type="checkbox"/> None |

If you selected "Own" or "Real Estate Contract," please briefly describe the ownership structure or anticipated structure for the property (Will it be solely owned by a single person? Will there be multiple individuals that share ownership? If yes, who are they?):

For Landlord/Developer applicants, or, for business owners that also lease out part of their property to a third-party tenant, please list any tenants of the property or types of tenants that are being targeted (you may attach supporting documentation if helpful):

If you selected "Lease" or "Letter of Intent," please identify when the lease began or will begin and the number of years remaining on the term:

If you selected "Other" or "None," please briefly describe your current status with the Project Property and any plans or expected timelines related to acquiring or leasing it:

SECTION II. THE PROJECT PROPERTY (CONTINUED)

Building Condition and Liabilities:

Please describe any known issues with the Project Property regarding its physical condition (e.g. building code violations, demolition orders) or financial liabilities (e.g. unpaid property taxes, mechanic liens, City inspection fees). If the building is in good physical condition with no outstanding financial liabilities, write "None."

SECTION III. PROJECT DESCRIPTION

Please use this section to describe the vision and concept for your project. Projects selected for funding will be able to demonstrate their potential to have a positive, catalytic impact on the community in which they are located. This could be by creating new jobs, opening a new business that the community desires, revitalizing a vacant property or renovating a building for a longstanding neighborhood business. If the space provided in this section is not sufficient, you may provide an attachment with additional information.

SECTION IV. PROJECT BUDGET AND FINANCES

This section of the application provides a budget that outlines how funds will be used for the project (e.g. façade renovation, plumbing, etc.) and where those funds will come from. The NOF Grant can cover up to 50 percent of eligible project costs for renovations to an existing building and up to 30 percent of eligible project costs for new construction.

That percentage can be increased by 15 percent (therefore up to 45 or 65 percent) when the applicant qualifies for the **Build Community Wealth Bonus**. See pg. 10 (Exhibit A) to determine eligibility for the **Build Community Wealth Bonus**. The remaining eligible project costs will need to be covered by the applicant through other sources of funding such as their own equity or through debt. This section of the application will detail the different types of project costs (e.g. Hard Costs, Soft Costs, and Acquisition Costs) anticipated for the project as well as how you plan to balance out the various funding sources for them.

ESTIMATED PROJECT COSTS

Please complete the following tables to detail the different types of anticipated costs of your project.

Hard costs: Hard costs are direct costs related to renovations or new construction work such as mechanical systems, electrical and plumbing work, façade renovation, storefront installation and roofing (not an exhaustive list!)

Hard Costs	
Total	

Soft Costs: Soft costs are the indirect costs related to project planning services required to execute your project, such as architectural and engineering services (not an exhaustive list!)

Soft Costs	
Total	

Acquisition Costs: If you are purchasing the Project Property and wish to include those costs as part of your NOF Grant Request, please detail those costs here.

Acquisition Costs	
Total	

SECTION IV. PROJECT BUDGET AND FINANCES (CONTINUED)

ANTICIPATED SOURCES AND USES

While it is not required that applicants have all of their listed sources of funding secured at the time of application, it is important to be able to identify what other sources (other than the NOF grant) they will need for the project and the relative dollar amounts for each. Please ensure that the totals from the Estimated Project Costs tables on pg. 7 are the same as in this Anticipated Sources and Uses table, **and please ensure the total sources of funds equals total uses of funds.**

PROJECT SOURCES AND USES TABLE					
ANTICIPATED PROJECT SOURCES OF FUNDS			ANTICIPATED PROJECT USES OF FUNDS		
Source	Value	Percentage of Sources	Use	Value	Percentage of Uses
Equity:			Hard Costs:		
Debt:			Soft Costs:		
NOF Grant*:			Acquisition Costs:		
NOF Build Community Wealth Bonus**:					
Total			Total		

SECTION V. PROJECT IMPLEMENTATION PLAN

Securing financing for a project and finding a good architect or contractor all can be challenging. This section allows you to speak to what you have done or what you will do to secure the other sources of funds needed for your project and how you'll get the project done. Please answer each question as specifically as possible **and feel free to provide attachments to the application when helpful or if additional space is needed.**

Project Financing: describe in detail how you plan to finance this project. Please provide documentation, when available, that demonstrates any progress on this effort.

Construction/Development: outline the construction plan for your project. Major elements to incorporate would be any key identified contractors or architect, the project timeline, milestones, and other related items. Please provide documentation, when available, that demonstrates any progress on this effort.

SECTION V. ADDITIONAL APPLICANT INFORMATION

These questions are voluntary and not required. Answers will have no effect on the consideration of your application; applicants may select all that apply.

Sex: Male Female

Ethnicity or Race (select all that apply):

- African-American Asian Caucasian
 Hispanic Middle Eastern Native American
 Other

SECTION VI. APPLICANT CERTIFICATION

SCOFFLAW REQUIREMENTS: All awardees of the NOF program will undergo a check by the Department of Finance to see if they owe debt to the City of Chicago. Any awardee with outstanding debt owed to the City, and/or property owners (if the awardee owns the property) who are behind on their property taxes, are required to fully pay the debt(s) or enter into a payment plan for it in advance of any payment of the NOF grant.

Applicant certifies that the information provided in this Application and any supplementary materials provided are true and correct. Applicant further certifies that they understand the scofflaw requirements (outlined above) for the NOF program. False information may result in forfeiture of eligibility.

SIGNATURE: _____ DATE: _____

FULL NAME: _____ TITLE: _____

HOW TO SUBMIT YOUR NOF APPLICATION

Applications can be submitted via e-mail, U.S. Mail or other courier service, or hand delivery. E-mail is **strongly** encouraged. If submitting by email, **please save the application file under a new file name that either references the business name or your name.**

E-mail:

All applications should be submitted to the following email address: NOF@cityofchicago.org

If e-mail is not convenient or accessible, applications may be submitted via US Mail or via courier services as follows:

Applications for \$250,000 or less

SomerCor 504, Inc. – NOF
601 S. LaSalle St., Suite 510
Chicago, IL 60605

Applications for greater than \$250,000

Department of Planning and Development
NOF Administration
121 N. LaSalle St., Room 1000
Chicago, IL 60602

Contact Numbers for Questions:

Jake Stern
Director of Economic Development
SomerCor
312-360-3328

Reuben Waddy
Economic Development Associate
SomerCor
312-360-3319

EXHIBIT A. BUILD COMMUNITY WEALTH BONUS

Build Community Wealth Bonus:

A key goal of NOF is building community wealth by supporting locally-based business and property owners and creating employment opportunities in areas in need of new jobs. To support those projects that advance these goals, the Build Community Wealth Bonus can provide an additional 15 percent of the total project cost to applicants that meet certain eligibility criteria.

There are two ways to earn the Build Community Wealth Bonus. Please read each of the options carefully; if you qualify for either/or, please select the ONE option you intend to apply for by checking the box next to it. **You may only apply for ONE option.**

- Option 1 – Local Business and Property Owner.** For applicants who maintain their primary residence in a Qualified Investment Area*, the Build Community Wealth Bonus is applied by increasing the percentage of NOF assistance by **up to** 15 percent of total eligible project costs. That will increase the amount of the NOF Grant in your project budget and decrease the amount needed to be covered by either equity or debt sources of funding. If you are applying for the Build Community Wealth Bonus in this fashion, please provide the primary residences of all owners of the business and/or of the property below (depending on your Applicant Type).
- Option 2 – Local Hiring.** For projects that involve hiring new employees upon completion of the project, applicants can receive **up to** 15 percent of eligible project costs towards wage expense reimbursement and/or training costs for any employees that have their primary residence in a **Qualified Investment Area***. The Applicant must hire a minimum of two (2) qualified employees after the completion of the project to qualify for this. The Build Community Wealth Bonus earned for Local Hiring does NOT apply to project budget. Instead, the bonus — an amount equal to up to 15 percent of eligible project costs — is disbursed after the project is complete, local hires are made and wage expenses incurred.

** **How to determine if your primary residence is in a Qualified Investment Area:** Visit the [NOF website](#) and type in the address of your primary residence into the map. The search result will indicate whether or not your property is located in a Qualified Investment Area.*

If you are applying for the Build Community Wealth Bonus through Option 1, more than half of the owners of the business and/or property ownership must qualify. Please list all individuals who will have a 7.5%+ ownership interest and their respective primary residences:

Individual 1: _____ Primary Residence: _____

Individual 2: _____ Primary Residence: _____

Individual 3: _____ Primary Residence: _____

Individual 4: _____ Primary Residence: _____

Individual 5: _____ Primary Residence: _____

Individual 6: _____ Primary Residence: _____