

NEIGHBORHOOD OPPORTUNITY FUND

GRANT APPLICATION



Neighborhood Opportunity Fund

MAYOR RAHM EMANUEL • NeighborhoodOpportunityFund.com



RAHM EMANUEL, MAYOR

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 that downtown development in order to support 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.

Applicants must be located in an Eligible Commercial Corridor, so that projects 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, but those projects must be approved by the City Council. We encourage you to contact us with questions about larger projects in advance, but the application is the same.

Grant applications are accepted twice a year during the open application window.

2017 NOF APPLICATION ROUNDS

	Start date	End date
Round 1	February 27, 2017	April 21, 2017
Round 2	August 2, 2017	October 2, 2017

NOF APPLICATION OVERVIEW

The NOF application is a way for you to describe your project and tell your story. The successful application will tell us who you are, what you want to do and how you plan to do it. While selection of projects is a competitive process, it is critical that applicants present an honest and realistic portrayal of the project. The end goal is to select projects that have the potential to make an impact but are also manageable and have a clear path to completion.

So, how do you apply for NOF assistance? Here are the key steps, in order.

APPLICATION STEPS

1

LEARN

Familiarize yourself with the program by reviewing the NOF website (NeighborhoodOpportunityFund.com) which has plenty of resources and additional useful information.

2

SUBMIT

Prepare and submit a complete NOF Application.

Applications will be accepted during two open application acceptance periods each year. The dates of those periods will be publicized on the NOF website.

3

APPLICATION REVIEW

After an application is submitted, projects will be reviewed with an eye towards understanding *who you are*, *what you want to do*, and *how you plan to do it*. Applicants may be contacted to revise application materials or to provide clarity on any applicant or project details as needed.

4

PROJECT SELECTION

The City prioritizes projects based on four key factors which demonstrate a catalytic neighborhood impact. These are: how the project fills a gap in available goods or services; how the project builds community wealth; how the project defines and measures success; and whether the project is feasible and has a clear and path to implementation.

The Department of Planning and Development (DPD) will review all applications and submit them to an Advisory Committee made up of community leaders representing a cross-section of City neighborhoods. That Advisory Committee will then submit a funding recommendation to the City for final selection.

5

PROJECT PREPARATION

DPD will work with selected applications to guide the next steps of project planning. Prior to receiving a commitment for NOF funding from the City, additional details will need to be finalized such as project scope and budget.

6

FUNDING APPROVAL

Once your project is approved, it is time to go. "Measure twice, cut once" and execute!

Staff from SomerCor will be assigned to projects to help facilitate as needed.

APPLICANT INFORMATION

The goal of this section is to learn about *who you are* and what your project is at a “high level.” In many instances, there will be multiple individuals who make up the “Applicant” together. However, for the purposes of this Application, the individual who provides information for this section should be either the property owner, business owner or an authorized officer of the relevant organization or company, and also be prepared to serve as the primary contact person throughout the application process.

Individual:

Name: _____

Primary Residence: _____

City: _____ State: _____ ZIP: _____

Contact Phone: _____ Contact Email: _____

Business:

Business Name (if applicable; both the legal name and name you do business as, if different):

Project Address: _____

City: _____ State: _____ ZIP: _____

How did you learn about the NOF Program? _____

APPLICANT TYPE

Questions in this section help identify the type of applicant you are and will guide what additional information and documents may need to be collected to support the NOF application. If more than one of the applicant types provided below describe you, complete all information for the sections that have the corresponding icons of the applicant types described below



Business Owner, Entrepreneur

The applicant operates an existing business or is starting a new business at the project property identified above. The business is (or will be) a for-profit business.



Not-for-Profit Organization

The applicant is a Not-for-Profit organization with a 501(c)3 or similar designation.



Property Owner, Landlord, or Developer

The applicant owns the project property defined above either as an individual or through a legal entity. The applicant may be an “owner-operator” (meaning they own the property and operate a business or organization from the property) or a landlord with no ownership interests in the business(es) operating at or locating to the property.

APPLICANT BACKGROUND



FOR BUSINESS OWNERS, ENTREPRENEURS, OR NOT-FOR-PROFIT ORGANIZATIONS.

Name of the Business or Organization (Both the legal entity and the name you do business as, if different):

Is the business a start-up? Yes No If “No,” how many years have you been in business? _____

Please describe what sector the business operates in and the primary services it offers (e.g. Food service – breakfast and lunch; Retail – Women’s clothing boutique; Performing Arts – Music venue and concert hall):

Do you own or rent the subject property?: Own Rent

Are there other business locations? Yes No

If there are other business locations, list addresses:



FOR PROPERTY OWNERS, LANDLORDS, OR DEVELOPERS*

Property Description: Commercial Mixed-Use Other: _____

Who (or which entity) has legal title to the property? _____

Do you currently own the property: Yes No, but intend to acquire it.

If you answered “No” to the above, please provide the following information:

Target acquisition date: _____ Real Estate Contract Price: _____

Is the property in good standing (with Department of Buildings, mechanic liens, etc.)? Yes No

If you selected “No,” please list any outstanding issues that need to be addressed with the property (e.g. Circuit court orders regarding building code violations, mechanic liens, unpaid property taxes):

Are you a landlord? Yes No If “Yes,” do you currently have tenants? Yes No

If “Yes” to the above, please list tenants: _____

If “No” to the above, please list targeted tenants: _____

***Developer applicants will need to provide supplementary materials describing the project.**

PROJECT FINANCIAL INFORMATION

This section of the application tells us *how you plan to do it*. These projects take planning and budgeting. Some will require real estate acquisition, some will require an architect, most will require multiple bids from contractors, and all will require capital to complement NOF funds. You do not need to have all these details finalized yet. We'll prompt you for that later, and will provide adequate time and technical assistance where appropriate.

COMMUNITY WEALTH BONUS

NOF is designed to build community wealth by supporting locally-based business and property owners and creating employment opportunities in areas in need of new jobs. In order to support those projects that advance these goals, the 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 Community Wealth Bonus: maintaining local residency or hiring local employees.

- For Applicants that maintain their primary residency near their business or property, the bonus is applied by increasing the percentage of NOF assistance by 15 percent of total project costs. This increases the maximum percentage of assistance from 50 to 65 percent for rehabilitation projects and from 30 to 45 percent for new construction projects.
- For applicants that commit to hiring local employees 15 percent of the total project cost can be used to fund job support for new employees. Funds will be held in escrow for one year following the completion of the project and disbursed once employment goals are achieved and verified.

If you plan on applying for the Community Wealth Bonus, please indicate which criteria your project will meet:

- Local business or property owner
- Commit to hiring local employees

Please note that applicants can only utilize a single bonus criteria. Projects may meet both criteria, but the bonus amount will not exceed 15 percent.

ESTIMATED PROJECT COSTS

NOF funds are limited and project selections will be made to balance with the funding available. As such, it is important to get a sense of the *estimated* total project costs for each application. Project costs may include construction and renovation costs (“**Hard Costs**”), design and engineering costs (“**Soft Costs**”), real estate acquisition costs (“**Acquisition Costs**”), and other expenses (“**Other Costs**”) associated with project execution. In the spaces below, please list out the costs associated with each of these categories when applicable to your project.

Hard Costs	
	\$
	\$
	\$
	\$
	\$
	\$
Total	\$

Soft Costs	
	\$
	\$
	\$
	\$
Total	\$

Acquisition Costs	
	\$
	\$
Total	\$

Other Costs	
	\$
	\$
Total	\$

PROJECT SOURCES AND USES

It is not required that applicants have all their listed sources of funding available to them at the time of application. The intent of this section is to understand how the various costs of the project (described and totaled in the section above) will be covered. Total Project Costs must equal Total Sources of Funds. Applicants may provide attachments to support this section, if helpful, but it is not required. **The NOF grant may not exceed 50% of Total Project Costs, or up to 65% if the applicant is owned by an individual whose primary residence is located in a Qualified Investment Area** (see description of Community Wealth Bonus above).

PROJECT SOURCES AND USES TABLE			
Anticipated Project Costs		Anticipated Sources of Funds	
Hard Costs	\$	Equity	\$
Soft Costs	\$	Debt	\$
Acquisition Costs	\$	NOF grant	\$
Other Costs	\$	Other public funds	\$
Total	\$	Total	\$

Definitions:

Equity – cash provided by the Applicant; this could be from personal sources or from a business.

Debt – loans from banks or other financial institutions; this form of capital likely has repayment terms and conditions.

NOF Grant – This is the anticipated grant amount, it may not exceed 50% of total project costs, or up to 65% if the applicant is owned by an individual whose primary residence is located in a **Qualified Investment Areas**.

Other public funds – Other public sources of capital such as loans or grants from State or Federal sources. Please provide an attachment describing any additional public sources of funding with supporting documentation where available.

ADDITIONAL APPLICANT INFORMATION

This section and information is for statistical purposes only. The primary applicant is requested to supply the following data regarding themselves and their businesses. These questions are strictly 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 Caucasian Middle-Eastern
 Asian Hispanic Native-American
 Other _____

APPLICANT CERTIFICATION

Applicant certifies that the information provided in this Application and any supplementary materials provided are true and correct and that he/she has read and understood the NOF Program Rules. The NOF Program Rules are available for download at www.neighborhoodopportunityfund.com and also can be provided directly by SomerCor's NOF staff. False information may result in forfeiture of Program eligibility.

SIGNATURE: _____ DATE: _____

FULL NAME: _____ TITLE: _____

HOW TO SUBMIT YOUR NOF APPLICATION

Applications can be submitted via e-mail, fax, U.S. Mail or other courier service, or hand delivery. E-mail is strongly encouraged.

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 as follows:

Applications for \$250,000 or less

Mailing Address:

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

Fax:

(312) 757-4371

Contact Number for Questions:

Jake Stern
Director of Economic Development
312-360-3328

Applications for greater than \$250,000

Mailing Address:

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