

Small Business Improvement Program (SBIP) Program Description

Purpose:

The City of Highland Park recognizes the importance of independent merchants to the City's image and tax base. The goal of the Small Business Improvement Program (SBIP) is to provide both assistance and incentive to property owners and local businesses to improve the look and functionality of their property and place of business. The SBIP is available for use by small business operators and commercial property owners citywide.

A small business is defined as having a net worth of less than two million dollars and as showing less than an average of two hundred thousand dollars in profit per year for two years after taxes.

Owners of property are eligible when the subject property is occupied by a business that is a small business as defined in this document or, where such property owner has executed a lease agreement for future occupancy with a small business as defined in this document.

The program seeks to enhance Highland Park's image as a retail, dining, and entertainment destination as well as to provide assistance to the independent merchant who may feel pressure from national and regional competition. By making a financial investment in those businesses that avail themselves of the SBIP the City will strengthen the competitive advantage of conducting business in Highland Park and strengthen the City's sales tax base. Additional benefits are:

- Maintain a Healthy Mix of Commercial Establishments
- Enhanced Landscaping
- Maintenance of Community Character

Program Description:

The program is designed as a grant / loan program. The City of Highland Park's contribution is a grant in the form of a rebate. Money from the City will only be paid out when the project is complete and cost receipts are submitted to the City's Finance Department and disbursement is approved by City Council. Matching money provided by a local bank is payable under the terms of the bank's loan package. Additionally, the project must be completed within one hundred and twenty (120) days of approval of the application.

The following pay back schedule will apply if a business is the recipient of the City grant and goes out of business or moves out of Highland Park. The pay back schedule applies to property owners if there is a change of use that results in the premises being occupied by a business that does not fit the definition of small business.

Out of Business After	Less Than One Year	Between One & Two Years	Between Three & Four Years	After Four Years	After Five Years
\$ Returned to City	\$5,000	\$4,000	\$3,000	\$2,000	\$0

Eligible Improvements:

- Remove excess façade materials and repair damage from their installation
- Repair building deterioration and restore original building materials.
- Building cleaning (acid or pressure wash, or steam cleaning and tuckpointing)
- Paint building, trim, entryway, etc.
- New signage (consider size, placement, wording, design, lighting, etc)
- New awnings (consider size, placement, wording, design, lighting, etc.)
- Landscaping

Design Assistance:

A representative from the City's Design Review Commission will be available to attend Business and Economic Development Commission meetings when applications are being reviewed.

Historic Preservation:

Applicants in buildings that fulfill one or more of the Highland Park criteria for landmark designation may wish to take advantage of input from the Historic Preservation Commission. In many cases photos and drawings exist of historic storefronts, permitting renovations to return to the original design of the building. The Commission may also be of use in recommending historically accurate materials and treatments to further emphasize the character and integrity of the retail area.

Implementation:

Funding for the program is to be provided from the BEDC's 2002-2003 budget. The cost of the program is \$20,000 for the year, which would fund four projects at \$5000 each. If there is a demand for additional projects extra funds would be sought. Applications will be considered in order of their submission on a monthly basis. Priority will be given to those projects that exhibit a clear and substantial public benefit. The BEDC will determine the merits of the proposals with final authority to approve disbursement of the rebate by City Council.

Approval of an application by the BEDC does not supercede the authority of the City Council of Highland Park, the Highland Park Building Code, The City of Highland Park Code, Highland Park Design Review Commission, Highland Park Zoning Code, City of Highland Park Historic Preservation Ordinance, and the City of Highland Park Landscape Ordinance.

Eligibility:

The following are eligible for the program

1. A small business is defined as having a net worth of less than two million dollars and as showing less than an average of two hundred thousand dollars in profit per year for two years after taxes.
2. Owners of property where the subject property is occupied by a business that is a small business as defined in this document or, where such property owner has executed a lease agreement for future occupancy with a small business as defined in this document.
3. One frontage abutting a street.

Non-Eligibility:

The following stipulations delineate under what circumstances a property owner or business owner would not qualify for the program. They are:

1. If the business in question moves to another location in the City of Highland Park they would not have to pay back the money but would not be eligible for the program for a period of five years.
2. Recipients of the SBIP would not be eligible to reapply to the program for a period of five years.

Financing Structure:

Owners of commercial / retail buildings and small business owners are eligible to apply for assistance.

- I. A City grant will reimburse up to 50% of the cost of approved improvements to a maximum of \$5,000 per project. Total annual funding for the program from the City is not to exceed \$20,000. (four pilot projects at \$5,000 a piece)
- II. The applicant may choose one of the following banks for a matching loan at prime rate fixed at the time of application, payable for 5 years. The loan money can be used for the improvements provided the loan does not exceed 50 percent of the total project cost. Loan requests greater than \$5,000 will be handled on a case-by-case basis and are subject to bank credit approval.

Participating Banks

First Bank of Highland Park
Contact: Dennis Carani, PH# 847-432-7800

LaSalle Bank
Contact: Gordon Rice ph# 847-432-5000

**Small Business Improvement Program Application
City of Highland Park**

**City Manager's Office
City of Highland Park
1707 St. Johns Avenue
Highland Park, Illinois 60035
847-926-1000
ATTN: Business Liaison**

Application Fee \$50

Project Location _____

Type of Business Activity _____

Applicant Name _____

Address City, State, Zip _____

Home Telephone _____ Work Telephone _____

If other than applicant, Property Owner's Name _____

Address, City, State, Zip _____

Home Telephone _____ Work Telephone _____

Describe proposed improvements to building (use additional sheets if necessary):

Please submit the following materials with application.

Required at Time of Submission:

- \$50 Application Fee
- Financial Statement Indicating Status as a Small Business
- Architect's Design Drawings
- Three Itemized Cost Estimates

The applicant, _____ asserts that the preceding information is true, and correct, and will comply with all City regulations applicable to this program. The applicant fully understands that the City Manager's Office can make no variances to the guidelines, or requirements, except as authorized in writing. The applicant fully understands and that if his/her project at any time fails to meet federal regulations or municipal ordinances, he/she will be ineligible for a rebate and agrees to forfeit all rights pursuant to the acquisition or recovery of any claims or damages regarding those funds. The applicant also agrees to comply with the program guidelines in the Small Business Improvement Program Ordinance and program description. The applicant agrees that in the event of their breach of any condition or provision, as described in the Small Business Improvement Program, or whenever it is deemed to be in the best interest of the City, the City of Highland Park has the right to terminate this agreement, on thirty (30) days notice and to cancel this agreement, without prejudice to any other rights or remedies of the City. In addition, the applicant agrees to pay a \$50.00 non-refundable fee payable to the City of Highland Park to cover administrative costs. This payment must be attached to the application. If the applicant is other than the owner of the property, written consent by the property owner must be provided below. The applicant understands that he/she must submit detailed cost documentation, including canceled checks, bills, copies of building permits, and architectural drawings.

Applicant

Applicant's Signature

If the applicant is other than the owner of the building, the following line must be completed:

I certify that I, the trustee and or owner of the property at _____ give the above signed applicant authority to implement improvements at the above property, as may be required under the Small Business Improvement Program.

Property Owner's Name

Property Owner's Signature
