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1. **PROGRAM GUIDELINES:**

All Business Improvement Grant awards will match applicant expenditures on a 50/50 basis for eligible improvements. There shall be a funding amount of \$10,000 available for individual businesses. Multiple businesses located in multi-tenant buildings shall all be eligible for individual awards.

All businesses must meet the following criteria:

- ✓ The property must be located along the Main Street/Route 64 corridor, Lincoln Hwy/Route 38 corridor, Randall Road corridor, or zoned CBD-1 or CBD-2.
- ✓ The business must be considered one of the following uses as defined in Section 17.030.020 of Title 17 the Zoning Ordinance:
  - Art Studio
  - Cultural Facility
  - Indoor Recreation & Amusement
  - Live Entertainment
  - Hotel/Motel
  - Outdoor Sales, Permanent
  - Personal Services
  - Coffee Shop or Tea Room
  - Restaurant
  - Retail Sales
  - Tavern/Bar
  - Theater
- ✓ The leasable space must be located on the first floor/street level of the eligible building.
- ✓ Primary point of sale for merchandise/services in the store must be the location of the physical business.

Eligibility for an additional funding:

Businesses are eligible for an additional \$15,000 provided the property/business meets one of the following criteria (Total grant amount for any business shall not exceed \$25,000):

- ✓ The additional awards are used to update building code or fire code deficiencies required by change of use such as but not limited to: ADA accessibility improvements, fire sprinkler installation, fire alarms installation, repair, or updates, accessibility ramps/elevators.
- ✓ The building or leasable space has been vacant for more than 6 months.
- ✓ The proposed business is located in the Downtown Retail Overlay District.
- ✓ Large retail spaces that need to be demised to make leasing the space more feasible.
- ✓ Extraordinary costs based on a unique physical condition or alterations of the building can be considered on a case by case basis.



## 2. APPROVAL OF A BUSINESS IMPROVEMENT GRANT AWARD PROCEDURE:

The Community & Economic Development Department shall accept and process all applications for Business Improvement Grants.

- All applicants must request a BASE (Building Assessment & Safety Evaluation) visit by the Building & Code Enforcement Division and Fire Department to determine any necessary code upgrades required due to change in use or life safety issues.
- Awards of **\$10,000** or less are approved administratively by Director of Community & Economic Development Department or designee.
- Awards in **excess of \$10,000 up to \$25,000** are required to receive City Council approval.

## 3. ELIGIBLE IMPROVEMENTS

The following improvements shall be considered eligible to receive the Business Improvement Grant award:

- Accessibility improvements for handicapped persons.
- Creation of new exterior doors for access into new leasable commercial spaces.
- Demising walls for the purposes of creating individual leasable commercial spaces.
- Energy conservation improvements.
- Electrical work, including service upgrades.
- Fire alarm systems.
- Fire sprinkler system installation or upgrade, including any needed water service improvements.
- Heating, ventilation and air conditioning.
- Lighting.
- Plumbing.
- Restoration of historic interior architectural features, including ceilings, light fixtures, floors and architectural detailing.
- Structural additions for the purpose of expanding usable business space\*
- Utility service upgrades, including water and sewer.
- Improvements not specifically listed as eligible or ineligible are subject to review on a case by case basis.
- Façade improvements- for businesses within the Façade Improvement Program Area (only if the Façade Improvement Program has committed all budgeted funding for the current fiscal year).
- Façade improvements- for eligible businesses outside Façade Improvement Program Area\*\*

\* No more than \$10,000 of BIG funds may go towards structural additions in any given fiscal year.

\*\* Façade improvements are limited to the following 1) Permanent exterior building upgrades or enhancements that will improve the character of a building 2) Improvement, replacement or installation of storefront systems, doors, windows and trim materials. Proposed façade improvements should, to the extent possible, follow the design guidelines and standards described in Section 17.06 of the Zoning Code.



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#### 4. INELIGIBLE IMPROVEMENTS

The following items are **NOT** eligible for awards under the Business Improvement Grant:

- Acquisition of land or buildings.
- Product inventory.
- Interior signage.
- Lighting fixtures.
- Hard surface materials for non-retail exterior space (parking lots, sidewalks, etc.).
- Display window enhancements (hanging grid system, lighting, display shelf, etc.).
- Media marketing and advertising.
- Ongoing business expenses such as rent, payroll, consulting work, moving expenses, etc.
- Day-to-day operational costs (e.g. utilities, taxes, maintenance, refuse).
- Exterminator services.
- Landscaping
- Paint, tile, or other design elements.
- Furniture, cabinetry, carpets, office equipment, or similar interior finishes.
- Building permit fees and related costs.
- Sweat equity.
- Signs

#### 5. COMMENCEMENT OF WORK:

Only after the Business Improvement Grant is approved by the City, can work commence. DO NOT START BEFORE -- YOU WILL NOT BE REIMBURSED FOR WORK DONE PRIOR TO CITY APPROVAL OF THE BUSINESS IMPROVEMENT GRANT AGREEMENT.

#### 6. COMPLETION OF WORK:

All improvements must be completed within 270 calendar days of Business Improvement Grant Agreement approval, unless otherwise authorized by City staff for a maximum of a one (270) day extension. If the work is not complete by the end of the extension the City's remaining obligation to reimburse the owner or tenant for the project terminates.

#### 7. REIMBURSEMENT PAYMENTS:

Upon completion of the work, the owner or tenant must submit copies of all design invoices, contractor's statements, other invoices, proof of payment and notarized final lien waivers to the Director of Community & Economic Development, as evidence that the owner or tenant has paid the architect and contractor(s). You should use the attached forms for the contractor's statement and final lien waivers. Payment will be authorized upon completion of all work items as originally approved and receipt of all of the required documents.



The Applicant will only be reimbursed for the amount of the award once all approved work has been completed and a Certificate of Occupancy is issued by the Building & Code Enforcement Division.

The Director of Community & Economic Development may authorize reimbursement to be made in two payments, if all of the following conditions are present: 1) The first partial payment may be made upon completion of work representing at least forty percent (40%) of the amount specified in the Business Improvement Grant Agreement; 2) The architect's invoices, contractor's statements, invoices, notarized final lien waivers and proof of payment for the completed work have been submitted; 3) The remaining work is expected to be delayed for thirty days or more following completion of the initial work due to weather, availability of materials, or other circumstances beyond the control of the owner or tenant.

In the case that the award covers multiple leasable spaces in one building, partial award funding can be disbursed as each individual leasable space is issued a Certificate of Occupancy. The amount of the partial disbursement shall be based on the proportion of square footage.

All Improvements shall be installed in accordance with the approved plan. Minor revisions as may be approved by a representative of the City Staff due to field conditions not known at the time of design, and similar circumstances beyond the Applicant's control. THIS IS A REIMBURSEMENT PROGRAM -- YOU MUST PAY YOUR ARCHITECT, CONTRACTORS AND SUPPLIERS BEFORE YOU RECEIVE PAYMENT FROM THE CITY.

Reimbursement awards are subject to Federal and State taxes, and are reported to the Internal Revenue Service on Form 1099. You are required to provide your taxpayer ID number or social security number as part of the Business Improvement Grant Agreement. Property owners and tenants should consult their tax advisor for tax liability information.

#### **8. MAINTENANCE PERIOD:**

The property owner and tenant shall be responsible for maintaining the improvements without alteration for five (5) years. A restrictive covenant limiting alterations may be required by the City Council at the time of approval of the Business Improvement Grant Agreement. A waiver from this requirement may be awarded by the City Council following a recommendation the by Director of Community & Economic Development, upon submittal of evidence of hardship or unusual circumstances.



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## INSTRUCTIONS AND FORMS FOR THE BUSINESS IMPROVEMENT GRANT

This packet contains information and documents needed to apply for an award from the City of St. Charles Business Improvement Grant. Please read all documentation and forms carefully. Should you have any questions, please call the Community & Economic Development Department at (630) 377-4443.

### STEP BY STEP PROCESS

#### **1. APPLY FOR A BUSINESS IMPROVEMENT GRANT:**

- A. Review the Program Description (Attachment A) to determine if the improvements you are considering are eligible for a reimbursement award.
- B. You will need to work with a design professional to prepare a construction plan showing the design of your improvements. The plans will be reviewed by the Community & Economic Development Department and Fire Department staff to ensure compliance with the requirements of the program and all applicable codes.
- C. Call the Building & Code Enforcement Division at (630) 377-4406 to schedule a Building Assessment and Safety Evaluation (BASE) Review.
- D. Submit this application with any required building permit applications and your plans **with a \$25 application fee** to the Building & Code Enforcement Division, City of St. Charles, 2. East Main Street, St. Charles, IL 60174.

#### **2. AWARD AGREEMENT:**

- A. Staff will draft the Business Improvement Grant Agreement. The applicant must review and sign this agreement prior to final action by staff or the City Council.
- B. If the requested award amount is in excess of \$10,000, the draft Agreement will be presented at a Planning & Development Committee meeting. We will notify you when your application will be reviewed by the Planning and Development Committee. You and/or your design professional should plan to attend this meeting.
- C. The City Council will take final action on the Agreement. Normally, it is not necessary to attend this meeting.

#### **3. INSTALLATION/CONSTRUCTION:**

- A. Construct the improvements per approved plans and call the Building & Code Enforcement Division to schedule required inspections.
- B. Obtain a final JULIE location before commencing work.
- C. Award recipients will hire their own contractors and pay for the work. Adequate soil preparation is required if the project involves any site work or grading.
- D. Finish construction / installation.
- E. When all work is completed, call the Building & Code Enforcement Division at (630) 377-4406 to schedule final inspection of any part of the project for which a permit was required.



**4. REIMBURSEMENT:**

- A. Request reimbursement by submitting the following attached forms: Final Waiver of Lien, Contractor's Affidavit, Contractor's Sworn Statements to Owner (forms attached), IRS Form W-9, before and after photos, and proof of payment to contractors to the Economic Development Division.
- B. Receive reimbursement check from City Finance Department.

**5. ONGOING:**

- A. The Business Improvement Grant Agreement requires you to maintain the improvements for a five-year period.



## AWARD APPLICATION FORM

### 1. APPLICANT INFORMATION:

Name: \_\_\_\_\_

Home Address: \_\_\_\_\_

Phone/email: \_\_\_\_\_

Name of Business: \_\_\_\_\_

Business Address: \_\_\_\_\_

Federal Tax ID Number: \_\_\_\_\_

*(All awards are subject to Federal and State taxes, and are reported to the Internal Revenue Service on Form 1099 (W-9). You are required to provide your taxpayer ID number or social security number as part of the Business Improvement Grant. Property owners and tenants should consult their tax advisor for tax liability information.)*

### 2. PROPERTY INFORMATION:

Address: \_\_\_\_\_

Property Identification Number: \_\_\_\_\_

### 3. ARCHITECT/DESIGN PROFESSIONAL:

Name: \_\_\_\_\_

Address: \_\_\_\_\_

Phone/email: \_\_\_\_\_

### 4. CONTRACTOR(S):

Name: \_\_\_\_\_

Address: \_\_\_\_\_

Phone/email: \_\_\_\_\_



**5. SCOPE OF PROJECT (INCLUDE THE FOLLOWING WITH YOUR SUBMITTAL):**

- A. Building Plans accurately drawn to scale, showing proposed improvements.
- B. Cost estimates for materials and labor. (There should be two cost estimates submitted, one for the estimated costs of all improvements to the building and one that highlights only the costs for eligible improvements).

**4. STATEMENT OF UNDERSTANDING:**

- A. I agree to comply with the guidelines and procedures of the St. Charles Business Improvement Grant.
- C. I understand that I must submit detailed cost documentation, copies of bids, contracts, invoices, receipts and contractors’ final waivers of lien upon completion of the approved improvements before any reimbursement payment will be authorized. “Before” and “After” pictures of the project must be submitted before funds will be released.
- D. I understand that work done before a Business Improvement Grant Agreement is approved by staff or the City Council is not eligible for an award.
- E. I understand that Business Improvement Grant reimbursement awards are subject to taxation and that the City is required to report the amount and the recipient of said awards to the Internal Revenue Service.

**Signature of Applicant:** \_\_\_\_\_

***If the applicant is someone other than the owner of the property, the owner(s) must complete the following certificate:***

I/We certify that I/we own the property identified on this application and that I/we hereby authorize the applicant to apply for a reimbursement award under the City of St. Charles Business Improvement Grant and undertake the approved improvements.

Signature of Owner(s): \_\_\_\_\_ Date:



## Checklist for Eligible Improvements & Reimbursements

\_\_\_\_\_  
[ADDRESS]

\_\_\_\_\_  
[APPLICANT NAME]

<b>Eligible Improvements</b>				
Improvement Item	Estimated Cost	Work Completed (Yes/No)	Money Spent per Final submittal	Amount Reimbursed
<b>Total of all eligible improvements</b>				
<b>Amount of anticipated grant at 50% of eligible cost of improvements</b>				

*Left two columns shall be completed by applicant at time of application submission. Remaining columns on right shall be completed by staff once materials have been submitted to request reimbursement.*



CITY OF  
ST. CHARLES  
ILLINOIS • 1834

BUSINESS IMPROVEMENT GRANT

Application Packet

Updated July 2021

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# REIMBURSEMENT MATERIALS

**FINAL WAIVER OF LIEN**

STATE OF ILLINOIS        )  
  )SS  
COUNTY OF                )

TO WHOM IT MAY CONCERN:

WHEREAS the undersigned has been employed by \_\_\_\_\_

to furnish \_\_\_\_\_

for the premises known as \_\_\_\_\_

of which \_\_\_\_\_ is the owner.

The undersigned, for and in consideration of \_\_\_\_\_

(\$ \_\_\_\_\_) Dollars, and other good and valuable consideration, the receipt whereof is hereby acknowledged, do(es) hereby waive and release any and all lien or claim of, or right to, lien, under the statutes of the State of Illinois, relating to mechanics' liens, with respect to and on said above-described premises, and the improvements thereon, and on the material, fixtures, apparatus or machinery furnished, and on the moneys, funds or other considerations due or to become due from the owner, on account of all labor services, material, fixtures, apparatus or machinery heretofore furnished, or which may be furnished at any time hereafter, by the undersigned for the above-describe premises.

Given under \_\_\_\_\_ hand \_\_\_\_\_ and seal \_\_\_\_\_

this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_

Signature and Seal: \_\_\_\_\_

NOTE: All waivers must be for the full amount paid. If waiver is for a corporation, corporate name should be used, corporate seal affixed and title of officer signing waiver should be set forth; if waiver is for a partnership, the partnership name should be used, partner should sign and designate himself as partner.

## CONTRACTOR'S AFFIDAVIT

STATE OF ILLINOIS        )  
   )SS  
 COUNTY OF                 )  
 TO WHOM IT MAY CONCERN:

THE undersigned, being duly sworn, deposes and says that he is \_\_\_\_\_  
 \_\_\_\_\_ of the \_\_\_\_\_  
 who is the contractor for the \_\_\_\_\_ work on the property  
 located at \_\_\_\_\_  
 owned by \_\_\_\_\_.

That the total amount of the contract including extras is \$ \_\_\_\_\_ on which he or she has received payment of  
 \$ \_\_\_\_\_ prior to this payment. That all waivers are true, correct and genuine and delivered unconditionally and that  
 there is no claim either legal or equitable to defect the validity of said waivers. That the following are the names of all parties who have  
 furnished material or labor, or both, for said work and all parties having contracts or sub contracts for specific portions of said work or for  
 material entering into the construction thereof and the amount due or to become due to each, and that the items mentioned include all labor  
 and material required to complete said work according to plans and specifications:

NAMES	WHAT FOR	CONTRACT PRICE	AMOUNT PAID	THIS PAYMENT	BALANCE DUE
<b>TOTAL LABOR AND MATERIAL TO COMPLETE</b>					

That there are no other contracts for said work outstanding, and that there is nothing due or to become due to nay person for material, labor or  
 other work of any kind done or to be done upon or in connection with said work other than above stated.

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Subscribed and sworn to before me this \_\_\_\_\_ day of \_\_\_\_\_, 200\_\_\_\_\_.

\_\_\_\_\_  
 NOTARY PUBLIC

## SWORN STATEMENT FOR CONTRACTOR AND SUBCONTRACTOR TO OWNER

STATE OF ILLINOIS        )  
   ) SS  
 COUNTY OF                 )

The affiant, \_\_\_\_\_(name) being first sworn on oath, deposes that he is  
 \_\_\_\_\_ (position) of \_\_\_\_\_ (name of firm)  
 being the contractor for \_\_\_\_\_(owner of premises)  
 to furnish labor and materials for work on the property located at \_\_\_\_\_ (address of  
 premises) and performed \_\_\_\_\_  
 \_\_\_\_\_,(describe improvements)

on said property. Affiant further deposes that the following persons have been contracted with, and have furnished, or are furnishing and preparing materials for, and have or are doing labor on said improvements; that there is due and to become due them respectively, the amount set opposite their name for materials or labor as described; and that this statement is a full, true and complete statement of all such persons, the amounts paid and the amounts due or to become due to each.

Name/Address	Kind of Work	Amount of Contract	Retention (Incl. Current)	Net Previously Paid	Net Amount This Payment	Balance to Complete

Amount of Original Contract	\$ _____	Work Completed to Date	\$ _____
Extras to Contract	\$ _____	Less _____ % Retained	\$ _____
Total Contract & Extras	\$ _____	Net Amount Earned	\$ _____
Credits to Contract	\$ _____	Net Previously Paid	\$ _____
Balance to Become Due	\$ _____ (including Retention)		

I agree to furnish Waivers of Lien for all materials under my contract when demanded.

Signed \_\_\_\_\_ Position \_\_\_\_\_

Subscribed and sworn to before me this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_

\_\_\_\_\_ Notary Public

**The above sworn statement should be obtained by the owner before each and every payment.**