

Cannabis Business Grant - Frequently Asked Questions (FAQs)

1) Can you briefly describe what this grant is for?

- This grant is to promote business retention and expansion of minority-owned businesses. It is both for start-up and existing businesses that reside or plan to relocate in the area bounded by Carpenter Street on the north, Ash Street on the south, Dirksen Parkway on the east, and 10th Street rail corridor on the west, and live within the City corporate limits.

2) What is the amount of the business grant?

- Up to \$100K, but 10% match is required

3) If I don't have the 10% match, can I still get additional assistance to meet the match requirement?

- Yes. If you cannot cover 10% of the requested amount, we ask that you provide the last 3 months of personal or business Financial Statements in order to receive the Justine Petersen Micro-Loan.

4) What can grant funds be used for?

Grant funds can be used to reimburse for:

- Equipment
- Land acquisition
- Inventory purchase
- New construction or renovation
- Labor costs with prevailing wage

5) What are ineligible expenses?

- Passive real estate is not an allowable use (i.e. stock market or for income streams that are automated)

APPLICATION PORTAL AND ESTIMATED TIMELINES

6) When will the grant application process open?

- The application window opened Tuesday, January 18.

7) How long will the grant application window be open?

- Businesses will be able to apply from January 18 to March 31.

8) What is the process for applying?

- Applicants must apply online at <https://www.springfield.il.us/CannabisBusinessGrant.aspx>. However, OPED can provide technical assistance if needed. Once the application window closes (March 31), all applications will be reviewed by staff for completeness. The narrative portion of the application will be evaluated by Staff Members. Applications will be selected for approval based on questions asked and narrative elaboration. Grants will be awarded until all funds are exhausted. The estimated award timeline is mid-to-late March.

9) Will telephone assistance be available if I have questions about eligibility or required documents for the application?

- Yes; you may call the Office of Planning and Economic Development at (217) 789-2377.

10) Can I save my application and come back to it later?

- Currently, there is no process to save an application and return to it. Please make sure you have the information ready when you begin to fill in your application. Once you hit submit, your application is entered and cannot be changed.

ELIGIBILITY

11) Does the business have to be in the City of Springfield to be eligible?

- Yes; businesses must either reside or relocate in the area bounded by Carpenter Street on the north, Ash Street on the south, Dirksen Parkway on the east, and 10th Street rail corridor on the west, and reside within the City corporate limits.

12) If I have received other funding assistance, can I still receive grant funding through City of Springfield Business Assistance Grant?

- Yes. However, a business can only be awarded once.

13) My business has multiple locations in Springfield. May I apply more than once?

- No; only one grant per Federal Employer Identification Number or Majority Owner.

14) If I own more than one business (including common ownership of several entities among a small number of people), am I allowed to apply for each business individually or should I apply as a group?

- Each entity filing a federal tax return with FEIN/TIN is considered an eligible applicant.

15) Will businesses in operation for less than a year be eligible?

- Yes. Startups and new businesses are encouraged to apply.

APPLICATION INFORMATION

16) What information will I need to gather to submit a grant request?

Please have the following information ready to complete the application:

- FEIN/SSN number
- Legal Structure (Corp, LLC, LLP, Sole Proprietorship, Partnership)
- The year the business was established or estimated business start-date
- Date of operations in Springfield (may be the same as above)
- W-9 Form
- Most recent federal tax return for an established business/Most recent individual federal tax return if new business
- Narrative of current and projected future impact on operations and intended use of funds (i.e. business goals, any jobs you will create or retain, and the need for assistance)
- Business Plan and Projections
- Certificate of Good Standing with the State (if Sole Proprietorship: statement stating they are operating in good standing with no violations)
- If you are using the grant for construction: we would require two bids for the project

17) Will I receive a grant if my application is incomplete, or contains errors?

- No, a grant will not be awarded if the application is incomplete, not properly executed, contains erroneous information, or lacks proper documentation.

DISBURSEMENT & DOCUMENTATION

18) If I am approved, what type of documentation will be required to receive the funds?

- Required documents include a completed vendor form, final executed grant agreement between the awardee and the City, plus the documentation listed in the application form.

19) If I am approved, how long until I get my award?

- The City intends to announce awards and begin disbursing funds beginning the week of April 15, 2022. All funds are estimated to be disbursed by the end of May 2022.

20) After receiving grant funds, will I need to provide documentation to prove that the funds were used for their intended purpose?

- Awardees may be required to complete a brief close-out report to outline final use of funds and outcomes from fund utilization. Additional information may be requested per audit.