

The 2023 Source Grant

Helping Small Businesses Become More Resilient



GENERAL FAQS

What is the Cook County Small Business Source Grant (“The 2023 Source Grant”)?

The Cook County Small Business Source proudly introduces The 2023 Source Grant, which will provide \$40 million in grants to small businesses coupled with no-cost advising and coaching services, to help stabilize operations, foster recovery and resiliency, and advance equity in a post-pandemic economy. Businesses located in Cook County with fewer than 20 full-time employees that were in business prior to 2020 are eligible to apply. The program will prioritize businesses:

- Located in suburban Cook County
- Businesses negatively impacted by COVID in sectors hardest hit by COVID including Arts & Entertainment; Childcare & Social Assistance; Hospitality, Food & Tourism; Retail Trade; Transportation & Warehousing.
- \$500,000 dedicated to Veteran-owned small businesses.

The 2023 Source Grant program will offer two types of grants based on 2019 gross revenue:

- Businesses with 2019 gross revenue between \$20k-\$50k are eligible to receive \$10,000 grants.
- Businesses with 2019 gross revenue of more than \$50k are eligible to receive \$20,000 grants.

What is the source of the \$40 million for grants?

Cook County has allocated \$40 million of its federal American Rescue Plan Act (ARPA) funds to support small businesses in 2023.

How much funding is available?

The pool of funding for this grant program is \$40M.

When can I apply for The 2023 Source Grant?

The application window will open on July 20th and remain open until August 25th with grants distributed in January 2024.

When should grant recipients expect to be notified of their grant award?

The selection process will begin in late August and conclude at the end of October. Decision notifications are expected in December 2023 with electronic disbursements occurring in January 2024.

What organizations are part of the Cook County Small Business Source & 2023 Source Grant?

Cook County has contracted with the Women's Business Development Center to administer this grant program (WBDC) and WBDC has engaged Allies for Community Business. Together the two organizations will administer this grant program. WBDC has also engaged Next Street to serve as the Program Coordinator.

Below please find a list of The Source's partners and the services they provide. Business Support Organizations (BSOs) provide free -no-cost business advising and Referral Partners provide marketing and outreach outreach services. A full list of partners can be found below.

Business Support Organizations

- 36Squared Business Incubator
- Allies for Community Business
- Berwyn Development Corporation
- Chicago Minority Supplier Development Council
- Chicago Urban League
- Greater Southwest Development Corporation
- Illinois Hispanic Chamber of Commerce
- Illinois Restaurant Association
- Rogers Park Business Alliance
- Southland Development Authority
- Women's Business Development Center

Referral Partners

- Alsip Chamber of Commerce and Economic Development
- Arab American Business Association
- Arts Alliance Illinois
- Asian American Chamber of Illinois
- Austin Chamber of Commerce
- Blue Island Area Chamber of Commerce & Industry
- Chicago Southland Chamber of Commerce
- Chicago Southland Economic Development Corporation
- Chicago's North Shore Convention and Visitors Bureau
- Chinese Mutual Aid Association
- Des Plaines Chamber of Commerce
- Elgin Area Chamber of Commerce
- Evanston Chamber of Commerce
- Far South Community Development Corporation
- Greater Auburn Gresham Development Corporation
- Greater Wheeling Area Chamber of Commerce
- IL Action for Children
- Illinois Business Immigration Coalition
- Lansing Chamber of Commerce
- Melrose Park Chamber of Commerce
- Mount Greenwood Community and Business Association
- Native American Chamber of Commerce
- New Covenant CDC
- Next Level Northwest
- Northbrook Chamber of Commerce
- Northwest Hispanic Chamber of Commerce
- Northwest Side Community Development Corporation
- Polish American Chamber of Commerce
- Puerto Rican Cultural Center
- Schaumburg Business Association
- SomerCor
- South East Chicago Commission
- South Shore Chamber of Commerce
- Southland Black Chamber of Commerce
- Southwest Collective
- The Joseph Center
- U.S. Pan-Asian Chamber of Commerce Midwest Region
- West Suburban Chamber of Commerce & Industry
- Winnetka-Northfield-Glencoe Chamber of Commerce



Eligibility

How are full time employees defined?

The calculation of full-time equivalent (FTE) is an employee's scheduled hours divided by the employer's hours for a full-time workweek.

FTE calculations exclude 1099 contractors. Only employees on payroll (receiving W-2's) should be considered in the calculation.

Who is eligible and can apply for The 2023 Source Grant?

- For-profit businesses
- Businesses located in Cook County, IL
- Businesses with less than 20 full time employees
- Businesses that experienced a decrease in revenue or gross receipts, increased costs, or greater financial insecurity due to COVID-19
- Business owners of all demographics are eligible to apply
- Businesses that meet the above criteria and have previously applied or received other types of grants are eligible to apply
- Businesses that were in operation prior to 2020
- Businesses must have earned more than \$20,000 in gross revenue in 2019 to apply.

How is "small business" being defined?

Businesses eligible for this program are those with fewer than 20 full time employees

How is "COVID-impacted" industries being defined?

Businesses in the following industries (defined in detail below):

- Accommodation, Hospitality, & Food
- Childcare & Social Assistance
- Arts & Entertainment
- Retail Trade
- Transportation & Warehousing

How is "Negatively Impacted" being defined?

Businesses that experienced a decreased revenue or gross receipts, greater financial insecurity, and/or increased costs.

How is "Childcare & Social Assistance" defined?

Businesses that operate in the following NAICS codes:

- 6241: Individual and Family Services
- 6242: Community food and housing, and emergency and other relief services
- 6243: Vocational rehabilitation services
- 6244: Child Day Care Services

How is “Hospitality, Food, & Tourism” being defined?

Businesses that operate in the following NAICS codes:

- 7211: Traveler Accommodation
- 7212: RV (recreational vehicle) parks and recreational camps
- 7213: Rooming and boarding houses
- 7223: Special food services
- 7224: Drinking places (alcoholic beverages)
- 7225: Restaurants and other eating places
- 3231: Printing and related support activities
- 4531: Florists
- 4831: Deep sea, coastal, and great lakes water transportation
- 4853: Taxi and limousine service
- 4855: Charter bus industry
- 4859: Other transit and ground passenger transportation
- 4871: Scenic and sightseeing transportation, land
- 4872: Scenic and sightseeing transportation, water
- 4879: Scenic and sightseeing transportation, other
- 5615: Travel arrangement and reservation services
- 5619: Other convention support services

How is “Arts & Entertainment” defined?

Businesses that operate in the following NAICS codes:

- 7111: Performing Arts Companies
- 7112: Spectator Sports
- 7113: Promoters of performing arts, sports, and similar events
- 7114: Agents and managers for artists, athletes, entertainers, and other public figures
- 7115: Independent artists, writers, and performers
- 7121: Museums, historical sites, and similar institutions
- 7131: Amusement parks and arcades
- 7139: Other amusement parks and arcades
- 2381: Foundation, structure, and building exterior contractors (framing contractors)
- 5121: Motion picture and video industries
- 5122: Sound recording industries (sound technicians)
- 5414: Specialized design services (costume design services)
- 5419: Other professional, scientific, and technical services (photography studios)

What does it mean when it says we are prioritizing businesses in hard hit sectors?

It means that we aim to distribute 60% of all grant funds to businesses in the above sectors, and 40% to other businesses.

How is “Retail Trade” defined?

Businesses that operate in the following NAICS codes:

- 441: Motor Vehicles & parts dealers
- 442: Furniture & home furnishings stores
- 443: Electronic markets and agents and broker
- 444: Building materials & garden supply stores
- 445: Food & Beverage stores
- 446: Health & personal care stores
- 447: Gasoline stations
- 448: Clothing & clothing accessories stores
- 451: Sporting goods, hobby, book & music stores
- 452: General Merchandise stores
- 453: Miscellaneous store retailers
- 454: Nonstore retailers
- 8121: Personal care services
- 8129: Other personal services

How is “Transportation & Warehousing” defined?

Businesses that operate in the following NAICS codes:

- 481: Air transportation
- 483: Water transportation
- 484: Track transportation
- 485: Transit & ground passenger transportation
- 486: Pipeline transportation
- 487: Scenic & Sightseeing transportation
- 488: Support activities for transportation
- 492: Couriers & messenger
- 493: Warehousing and storage

What types of businesses are ineligible?

The following types of businesses are not eligible for the 2023 Source Grant:

- A business engaged in activities that are prohibited by federal law or applicable law in the jurisdiction where the business is located or conducted
- A business that derives a majority of its income as an owner of real property that leases that property to a tenant or tenants under a lease agreement
- A business principally engaged in teaching, instructing, counseling, or indoctrinating religion or religious beliefs, whether in a religious or secular setting
- A government-owned business entity
- A business primarily engaged in political or lobbying activities
- A business that manufactures or sells at wholesale, tobacco products, liquor or that manufactures or sells firearms at wholesale or retail Cannabis businesses
- A night club or strip club Gambling businesses including sports betting and game shops
- An employment agency

What entities are NOT eligible?

The following entities are not eligible:

- A business engaged in activities that are prohibited by federal law or applicable law in the jurisdiction where the business is located or conducted
- A business that derives a majority of its income as an owner of real property that leases that property to a tenant or tenants under a lease agreement
- A business principally engaged in teaching, instructing, counseling, or indoctrinating religion or religious beliefs, whether in a religious or secular setting
- A government-owned business entity
- A business primarily engaged in political or lobbying activities
- A business that manufactures or sells at wholesale, tobacco products, liquor or that manufactures or sells firearms at wholesale or retail
- Cannabis businesses
- A night club or strip club
- Gambling businesses including sports betting and game shops
- An employment agency



Application Process

How do I apply?

You can apply via Smartsheet by clicking on the “Apply Now” button in our landing page. The application is available in English and Spanish.

If I submitted a 2022 Grow Grant application do I need to reapply?

Yes, any business that applied to the 2022 Cook County Grow Grant will need to submit a new application for The 2023 Source Grant

What documentation is required for The 2023 Source Grant application?

The following documents are required for the application:

- Form of Valid Photo Identification including (one of the following is required):
 - Driver’s license
 - REAL ID
 - State ID
 - Chicago City Key ID
 - Passport (US and non-US)
 - Permanent resident card
 - Consular ID
 - Military ID
 - Green card
 - Certificate of naturalization
 - Certificate of US citizenship
 - Native American tribal photo ID
- Filed 2019 Federal Tax Return for your business; including required forms and attachments
- Filed 2022 Federal Tax Return for your business; including required forms and attachments
- Signed W-9 Form
- Provide proof of Good Standing with the State of Illinois (This does not apply to Sole Proprietors that operate under SSN)

What does it mean when it says you are prioritizing businesses in suburban Cook County?

Our goal is to distribute 60% of all grants to businesses located in suburban Cook County and 40% to businesses located in the City of Chicago.

How much money is available for businesses owned by veterans?

We have \$500,000 available to support small businesses owned by veterans across both grant categories.

If I own more than one business, can I apply for a grant for each of them?

You may apply for all of your eligible businesses, but only one grant will be awarded to the business owner.

What should I do if my business was located in Cook County in 2019 but has moved out of Cook County since then?

If a business was located in Cook County in 2019 but has subsequently moved out of Cook County the business is not eligible for the 2023 Source Grant.

What should I do if my business address has changed since 2019?

Applicants should explain that the business has moved, and upload a Business License with the new address or Proof of Business Operations with the new address to demonstrate the business is currently operating in Cook County. This information can be uploaded as a supplemental document.

What if I have not filed my 2022 tax returns?

If an applicant has not filed their 2022 taxes, they must instead provide BOTH their 2022 tax extension application (completed) and current business license from the governing jurisdiction (local municipality, township or State of Illinois) for their application to be considered.

Can I link my personal bank account?

No. The bank account you provide must be in the name of your business.

Can for-profit businesses owned by a non-profit organization apply?

For-profit businesses owned by non-profits organizations are eligible if they meet all other requirements. The application must be made through the for-profit business, and not the non-profit parent company.

Can I apply without sharing my immigration status?

Yes, The 2023 Source Grant is open to all Cook County households regardless of immigration status. You will not be asked to verify your citizenship or immigration status in the application.



Post Application Period

If an application is incomplete, will the applicant be given the opportunity to re-submit their application?

No. We encourage you to gather the information and documents required to apply before submitting your application.

Are grant proceeds taxed?

Yes. Recipients of a grant award will receive tax information related to their grant proceeds, which will need to be reported on their tax returns. Please consult with a tax professional for additional info.

I did not receive a grant, can I find out why?

Cook County Small Business Source received close to 16,700 applications and has funding to support 3,000 applications. Our grant administrators have reviewed all applications and found significantly more eligible applications than we are able to fund.

Due to the volume of applications received, we are unable to provide feedback to individual applicants as to why their application was not selected for funding. Applications were found to be ineligible for a variety of reasons, including but not limited to:

- The applicant was a non-profit organization (which are not eligible).
- The applicant reported 2019 revenues of less than \$20,000 (which is below the minimum revenue needed for eligibility)
- The applicant failed to include all required tax forms (including but not limited to 2019 tax return, 2022 tax returns or the proof of the filing of an extension to file 2022 returns).

All grant application materials noted that incomplete applications would not be reviewed or considered. We encourage all applicants to explore additional resources, grants, and funding opportunities featured on cookcountysmallbiz.org/programs.

Why was there an increase in grant funding?

The 2023 Source Grant was initially launched in July 2023 with \$40 Million in funds provided by the American Rescue Plan Act. As more than 16,000 applications were received, Cook County recognized the demand for additional funding assistance and allocated an additional \$10 million into the award pool, totaling \$50 million in grant funds. View the official press release [here](#).

How did Cook County select the grant award recipients?

Immediately after the application deadline, Grant Administrators assigned a randomized identification number to each qualifying application. Applications were then reviewed for eligibility based on program requirements. Eligible applications were selected for funding by randomized identification number until award funds were fully committed. In total, we received more eligible applications than we had funds to support.

I have not heard anything about my grant status, who do I contact?

All applicants were sent notification of the status of their application at the email address contained in their application from info@cookcountysmallbiz.org on December 15. If you have not received an email, please check your "spam", "junk" or "other" folders. In the event you do not see a status update, please contact info@cookcountysmallbiz.org.

My application was not selected for funding. Is there any chance I may receive a grant as part of the program at a later date?

Unfortunately, we are not able to fund the many worthy applications we received, as all award funds have been committed. We encourage applicants to visit cookcountysmallbiz.org to access the Source's no-cost business advising, events calendar, and online resources if they would like additional support.

Will there be a grant program in 2024?

Please check back for additional updates in 2024. In the meantime, discover additional grant and funding opportunities featured on cookcountysmallbiz.org/programs.

Do I have to pay taxes on the grant award?

Yes, grant recipients have to pay taxes on the amount of funds received in 2024 in their 2025 tax filings. The Women's Business Development Center (WBDC) will provide grant recipients with a Form 1099-MISC in early 2025 which will need to be reported on grant recipients 2024 income tax return. To determine the proper tax reporting for the grant, please consult an attorney, accountant or tax professional.

When will I receive the money?

Cook County via its Grant Administrator, the Women's Business Development Center (WBDC), will distribute grant awards in January 2024.

How will I receive my award?

Grant funds will be deposited directly into your bank account based on the information you provided in your application.

What if my mailing address has changed since I submitted my application?

Please send an email to cookcountysmallbiz@wbdc.org containing your new mailing address no later than December 22, 2023. If it is necessary to mail your grant in the form of a physical check, it will be mailed to the new address you provide.

What if my bank account information is no longer valid?

A check will be mailed to the address you provided in your application.

May I provide my new bank routing number and account number to receive the grant electronically?

Given the large number of awards to be paid and our efforts to pay them promptly, we are not able to accept revised bank account information. You will receive a physical check at the mailing address contained in your application.

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Use of Grant Funds

How may grant funds be used?

The grant may be used for business expenses only, including payroll, operating expenses, lease or rent payments, and inventory acquisition vital to the business. Funds cannot be used for capital improvements or personal expenses.