



TIFWorks 50/50 Frequently Asked Questions

What is TIF?

Tax Increment Financing (TIF) is a special funding tool used by the City of Chicago to promote public and private investment across the City. An incremental portion of the property taxes generated within these “TIF districts” is allocated for economic development and public works projects and initiatives. A portion of those funds has been reserved for the TIFWorks Training program for businesses located within authorized TIF districts through an act of the City Council of Chicago. If a business is not located in an authorized TIF district, then it is not eligible to apply for a TIFWorks grant.

What is TIFWorks 50/50?

TIFWorks 50/50 is a small training grant available to eligible businesses located in authorized TIF districts. It is a matching grant in which the business pays for at least half of the eligible training costs. The grant does not have to be paid back.

There is a short 3-page application with a quick review process. The maximum grant award is \$10,000 per company to train existing/incumbent employees and/or \$15,000 to train new hires who are also Chicago residents (maximum \$5,000 each). It can also be used to pay half the wages of the new hire Chicago resident for up to three months of on-the-job or internal training.

The grant is administered by approved Local Industrial Retention Initiatives (LIRI) organizations that will help with the application process.

What Businesses Are Eligible to Apply?

- Applicants must be in an authorized 50/50 Tax Increment Finance (TIF) district.
- The 50/50 program targets manufacturing or industrial businesses. Other types of businesses will be considered on a case-by-case basis. *Service, retail and construction companies are not eligible for 50/50.*
- Employees to be trained must be in full-time, permanent positions, and they must be paid the Minimum Wage or above. (*Chicago Minimum Wage Ordinance*)
- Applicants must have no existing TIFWorks grants outstanding.

Am I in a TIFWorks 50/50 district?

The following is a list of TIF districts in the City of Chicago where the TIFWorks 50/50 has been authorized and the corresponding Local Industrial Retention Initiative (LIRI) organization administering the program.

TIF Districts with the TIFWorks 50/50 Program:

Back of the Yards Neighborhood Council

Midway Industrial Corridor TIF
Stockyards Annex TIF

Calumet Area Industrial Commission

Lake Calumet Industrial Corridor TIF
South Chicago TIF

Eighteenth Street Development Corp

Pilsen Industrial Corridor TIF

Greater Northwest Chicago Development Corp

Galewood-Armitage TIF
Pulaski Industrial Corridor TIF

Greater Southwest Development Corporation

Greater Southwest Industrial Corridor (West) TIF
Greater Southwest Industrial Corridor (East) TIF

Industrial Council of Nearwest Chicago

Kinzie Industrial Corridor TIF

Lawndale Business Renaissance

Roosevelt Cicero Industrial Corridor TIF
Western Ogden TIF

North Branch Works

Addison South TIF
North Branch South TIF

Peterson Pulaski Business & Industrial Council

Elston-Armstrong TIF
Peterson-Pulaski TIF

What about training part-time, seasonal, or temp-to-permanent employees?

Only permanent and full-time employees can be trained using TIFWorks 50/50, and their pay must be at minimum wage or above. (*Chicago Minimum Wage Ordinance*)

May I apply for a new employee who is a Chicago resident after their hire date?

There is a retroactive application grace period of up to two weeks for a company hiring a new employee who is a Chicago resident. This means that if a company submits a complete application within 10 business days after hiring a new Chicago resident, the application will be accepted as eligible, *but not necessarily approved*.

In addition, a company may submit an otherwise complete application in advance of hiring a new employee. This means that a company may receive conditional approval prior to verifying the new hire is a Chicago resident. However, for a company to be reimbursed for the training, they will need to include residency verification along with the other required documents once the training is completed.

What training is eligible?

Priority will be given to training that results in new skills, certifications, and experiences that are transferrable to other positions. This is what is considered mid- to high-level skills training. The training should be part of a strategy to improve one or more aspects of the business operations, such as:

Examples of Mid- to High-Skills Level Training:

Training Category	Eligible Examples
Manufacturing Processes	Welding, Machining, Maintenance, Forklift Training
Quality Systems	Lean, ISO, Six Sigma, SQF, Customer Service
Supply Chain	Enterprise Resource Management (ERP)
Engineering	Product Development
Marketing & Sales	Marketing Diversification
Exporting	Export Market Development
Management	Leadership, Operations

A limited amount of low-level skills training will be considered eligible for the program based on the current stage of development of the company and its industry specific training demands. An application may include low skills training if it also includes at least 70% mid- to high-level training.

Examples of Low-Skills Level Training:

- Safety/OSHA required training, *excluding forklift training which is mid- to high-level.*
- Beginner Microsoft Office training, *such as Word, Excel, PowerPoint*
- English as a Second Language (ESL)

Additional Eligible Training (with 70-30% rule applying)

- Online training methods may be eligible. (*Verification of completion required.*)
- Training included in a conference may be eligible; *however, travel expenses are not eligible.*

Ineligible Training:

- Human Resource administration practices, including but not limited to compensation systems, administration and benefits, employee discipline procedures, interviewing or diversity training.
- Educational degrees including General Equivalency Degree (GED) programs.
- Stand-alone basic or remedial skills training without a vocational training/occupational focus.
- Apprenticeship training

How do I apply?

- Contact the designated Local Industrial Retention Initiative (LIRI).
- Confirm that you are in an eligible TIFWorks 50/50 TIF district.
- Give your completed application, the requested training documentation and supplemental information to the LIRI.
- After your application is approved, you may proceed with training.
- Once your training is completed, provide requested training and payment documentation to the LIRI. The LIRI will then submit a voucher to the City for reimbursement.

What is the maximum grant amount allowed under TIFWorks 50/50?

The maximum grant (match) for training existing employees is \$10,000 per company. The maximum grant (match) for training new hires (Chicago residents) is \$5,000 for each of up to three employees for a total of \$15,000 per company. For each new hire, 3 months of wages up to \$5,000 is allowed for on-the-job training. **New this year:** A company can take advantage of both the existing employee and the new employee training options for a total grant (match) of up to \$25,000.

Will there be enough TIFWorks 50/50 funds for all applicants?

Each Tax Increment Financing (TIF) district authorized to have the 50/50 program has limited funds reserved for the program. If demand for the funds is greater than the available funding supply, then a lottery will be conducted to determine the order in which each grant application may be accommodated. If any surplus funds become available, they will be allocated to waitlisted applicants.

What is a scofflaw?

As part of the application process, the City requires business owners (more than 7.5%) to provide Drivers' License, License Plate and Social Security numbers. With this information, the City performs a review to see if the owners have any unpaid parking tickets, water bills, past due license fees, or other indebtedness owed to the City of Chicago. All unpaid debts to the City must be paid and documented to receive grant payment. Additionally, all such individuals must complete an Economic Disclosure Statement (EDS) to certify their compliance with various laws and ordinances. They must also attest to being current on all child support payments (if applicable).

How does 50/50 reimbursement work?

- After the application is approved and the training is completed, the business provides the required training and payment documentation to the LIRI.
- The LIRI submits a voucher to the City for reimbursement.
- In 3-5 weeks after submitting a complete voucher to the City, the LIRI should receive an electronic payment from the City. The LIRI reimburses the business directly.

[Who do I contact to get additional information or to help me apply?](#)

The Local Industrial Retention Initiative (LIRI) organization authorized by the City of Chicago to administer the TIFWorks 50/50 program in the Elston-Armstrong TIF and Peterson-Pulaski TIF is the Peterson Pulaski Business and Industrial Council:



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