

The Small Business Initiative (SBI) Program is designed to increase the opportunities that small local businesses have to do business with the City of Chicago. To qualify for the SBI-1 program, a business must be a small local business enterprise (“SBE”) and at least 51% of the work must be performed by SBE-1s.

Before submitting a bid, the following checklist can be used to determine whether you are eligible to participate in the program. This checklist is for informational purposes only. Please refer to the bid package and the SBI Program Rules for more information about the SBI Program and the requirements for the project.

I. Are you an SBE-1?

A. Are you a small business?

1. Is your business at least 51% owned by individuals whose personal net worth (“PNW”) is not more than one and one half times the PNW limits set forth in the Regulations Governing Certification of Minority- and Women-Owned Business Enterprises, Veteran-Owned Business Enterprise, and Business Enterprises Owned or Operated by People with Disabilities for Construction Contracts (“Certification Regulations for Construction”)?¹ As of January 1, 2021, the PNW limit set forth in the Certification Regulations for Construction is \$2,379,729.54.
 - a. Yes. Proceed to question 2.
 - b. No. Stop here. Your business is not eligible for this project.
2. Do your gross receipts, averaged over the firm’s previous five fiscal years, exceed one and one half times the size standards set forth in 13 C.F.R. Part 121?
 - a. Yes. Stop here. Your business is not eligible for this project.
 - b. No. Proceed to question 3.
3. Does the number of your employees, per pay period averaged over the past twelve months, exceed one and one half times the size standards set forth in 13 C.F.R. Part 121?
 - a. Yes. Stop here. Your business is not eligible for this project.
 - b. No. Proceed to question 4.

B. Are you a local business?

4. Is your principal place of business located in the Six-County region? The Six-County region includes the following counties: Cook, DuPage, Kane, Lake, McHenry, and Will.
 - a. Yes. Proceed to question 5.
 - b. No. Stop here. Your business is not eligible for this project.

C. Are you independent?

5. Do you rely on the finances, resources, bonding, expertise, staff, facilities, or equipment of another individual business?
 - a. Yes. Stop here. Your business does not qualify.
 - b. No. Proceed to question 6.
6. Do you have affiliates? Affiliation is determined in accordance with 13 CFR Part 121².

¹ The Certification Regulations for Construction can be found on DPS’s website at the following address: <https://www.chicago.gov/content/dam/city/depts/dps/RulesRegulations/10.24.2018.CertificationRules.Construction.pdf>

- a. Yes. You will be required to provide documentation regarding your affiliates' owners, gross receipts, and employees. Proceed to question 7.
 - b. No. Proceed to question 7.
7. Are you a subsidiary of any firm?
- a. Yes. You will be required to provide documentation regarding the parent-subsidary relationship. Proceed to Section II.
 - b. No. Congratulations. You may be an SBE-1. Proceed to Section II.

II. Can you satisfy the SBE-1 performance requirements?

8. Will your company self-perform at least 51% of the work with its own forces?
- a. Yes. You may be able to satisfy the SBI-1 Program performance requirements. Proceed to Section III.
 - b. No. Proceed to question 9.
9. Will your company perform at least 51% of the work with its own forces or with subcontractors who are also SBE-1s?
- a. Yes. You may be able to satisfy the SBI-1 Program performance requirements. Proceed to Section III.
 - b. No. Stop here. You are not eligible for this project.

III. Are you able to comply with all other contractual requirements, including the insurance and performance bond requirements?

- a. Yes. Proceed with bid.
- b. No. Stop here.

² Except as otherwise provided in Section 13 CFR Part 121, firms are "affiliates" of each other when, either directly or indirectly: (1) one firm controls or has the power to control the other; or (2) a third party or parties controls or has the power to control both; or (3) an identity of interests between or among parties exists such that affiliation may be found. In determining whether persons or entities are affiliates, the city will consider all appropriate factors, including common ownership, common management, and contractual or familial relationships.