



State and Local Fiscal Recovery Funds

2021 Recovery Plan Performance Report

(Updated with fiscal 2022 budget appropriations)

Date: December 28, 2021

City of Chicago
2021 Recovery Plan Performance Report

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General Overview

Executive Summary

The City of Chicago is grateful for the funding allocated via the Local Fiscal Recovery Fund (“LFRF”) as well as other programs within the American Rescue Plan Act of 2021 (“ARPA”) and the opportunity to share the City’s progress in working towards an equitable recovery from the coronavirus pandemic.

The City introduced its fiscal 2022 budget and accompanying LFRF initiatives to City Council for the appropriations process and passage, which occurred on October 27, 2021. Given the landmark nature and magnitude of the ARPA and its potential to accelerate the City’s equitable recovery from the pandemic, the City considered it prudent to plan carefully for use of the funding. As the City begins its use of the LFRF funds, the City and its partners will continue to execute the response to the ongoing pandemic, leveraging the Coronavirus Aid, Relief, and Economic Security Act of 2020 (“CARES”), subsequent relief packages, and other funding streams contained in ARPA.

The Chicago Recovery Plan report focuses on Chicago’s framework for an equitable recovery from the pandemic and associated economic hardships, including those underlying systemic economic inequalities exacerbated by the pandemic. Where appropriate, it also includes reference to existing policies and campaigns relevant to the guidance for this report and spirit of the LFRF’s purposes.

This framework includes three key pillars that will guide the City’s investments via the LFRF, as determined as part of the community engagement process: Thriving & Safe Communities, Equitable Economic Recovery and Essential City Services.

More information on the scope and basis for the full Chicago Recovery Plan, including use of local financing to amplify the impact of the LFRF funding, can be found in the Chicago Recovery Plan report, published September 20, 2021 and located at chicago.gov/recoveryplan.

Uses of Funds

The Chicago Recovery Plan leverages LFRF as well as \$660 million in City of Chicago general obligation bond proceeds to invest in two key areas consistent with the LFRF guidance: (i) significant investments in the well-being of people and communities to allow them to thrive and collectively improve community safety and (ii) strategic investments to create an equitable economic recovery for Chicago’s neighborhoods and the communities hardest hit by the pandemic. The City’s plan also includes investments in ongoing essential City services to sustain Chicago’s operations and pandemic response in the face of severe COVID-19-induced revenue declines.

In order to catalyze and accelerate the impact that these core investments will have, the City has proposed to issue a general obligation bond to fund further initiatives. The ARP LFRF funding, amplified by the issuance of a general obligation bond, presents a once-in-a-lifetime opportunity

for an equity-based investment strategy to catalyze a balanced economic recovery and long-term growth.

The investments described in the Chicago Recovery Plan lay the foundation for this long-term growth and investment while meeting key needs of the City—providing direct relief for families, businesses and neighborhoods in urgent need of assistance as a result of the COVID19 pandemic. The City has proposed these investments to support an equitable recovery based on a whole-of-government response to community safety, urgent assistance to families in need, access to reliable city services and a wide set of new economic opportunities.

Per the August 31, 2021, report, the City of Chicago stated that a complete accounting for specific funding items and project-level details will be provided within 60 days of appropriation, as allowed for by U.S. Department of the Treasury guidance. A summary of projects is below.

LFRF-funded Initiatives	Allocation (\$MM)
EC 1: Public Health	85.0
City Priorities for Health and Wellness	73.0
Homelessness Support Services	12.0
EC 2: Negative Economic Impacts	293.0
Arts & Culture	16.0
Assistance to Families	91.0
City Priorities for Health and Wellness	10.0
Community Development	20.0
Small Business and Workforce Support	71.0
Tourism and Industry Support	20.0
Youth Opportunities	65.0
EC 3: Services to Disproportionally Impacted Communities	179.0
Assistance to Families	35.0
City Priorities for Health and Wellness	20.0
Community Development	10.0
Environmental Justice Initiatives	9.0
Homelessness Support Services	20.0
Violence Prevention	85.0
EC 6: Revenue Replacement	1,319.6
Essential City Services	1,319.6
EC 7: Administrative and Other	10.0
City Infrastructure & Parks	10.0
Grand Total	1,886.6

Promoting equitable outcomes

Under the leadership of Mayor Lori E. Lightfoot, the City of Chicago established an Office of Equity & Racial Justice (“OERJ”) in 2019 and hired the first Chief Equity Officer. In doing so, Chicago became the largest jurisdiction to both name a Chief Equity Officer and to explicitly identify racial justice as a key focus area of the Mayor’s Office.

The Mission Statement of the OERJ is as follows: *The Office of Equity and Racial Justice (OERJ) seeks to advance institutional change that results in an equitable transformation of how we do business across the City of Chicago enterprise. This includes the City’s service delivery, resource distribution, policy creation, and decision-making.*

The City of Chicago defines equity as both **an outcome and a process**.

As an outcome, equity results in fair and just access to opportunity and resources that provide everyone the ability to thrive. Acknowledging the present and historical inequality that persist in our society, equity is a future state we strive to create where identity and social status no longer predestine life outcomes.

As a process, equity requires a new way of doing business: one that (1) prioritizes access and opportunities for groups who have the greatest need; (2) methodically evaluates benefits and burdens produced by seemingly neutral systems and practices; and (3) engages those most impacted by the problems we seek to address as experts in their own experiences, strategists in co-creating solutions, and evaluators of success.

The City of Chicago’s planned use of LFRF funds will incorporate the OERJ’s framework and existing methodology, as well as new metrics developed for the purpose of an equitable economic recovery from the pandemic.

For further reference, the OERJ drafted [Chicago’s Equity Statement of Principles](#), available on the City’s website.

Community Engagement

As discussed in prior sections, the City of Chicago integrated the LFRF project identification process with the 2022 budget appropriations process, including community outreach and engagement to create a holistic approach to addressing the impacts from the pandemic and addressing resident priorities.

The Mayor’s Office of Community Engagement and Chicago’s Office of Budget and Management engaged the University of Illinois at Chicago’s Neighborhoods Initiative (“UICNI”) at the Great Cities Institute to assist in designing the internal and external budget engagement activities as part of the 2022 budget engagement process. The process was designed to solicit engagement regarding the 2022 budget and deployment of LFRF.

The goal for community engagement was to capture meaningful input from residents and other city stakeholders that would result in a data-driven report that documents the process and findings from the internal and external engagement.

One of the main priorities of the 2022 budget engagement was to design a process that allows for the incorporation of useful community input and feedback into the internal processes of budget decision-making.

The first phase of the 2022 budget engagement process took place from June to July 2021 and included four internal focus groups with City of Chicago Commissioners, four meetings with citywide leaders, and six regional roundtables with community-based and neighborhood-based organizations. Meetings with citywide leaders included open dialogue with participants that asked

them to identify priority programs and services for new investments and investments to improve the City of Chicago's effectiveness in the delivery of programs and services.

Regional roundtables included the far south, south, southwest, west, northwest, and north regions of the city. Participants were asked to complete a budget worksheet and specify which programs and services they would prioritize for new investment across six budget categories including public safety, arts and culture, neighborhood development, community services, infrastructure, and regulatory services. Participants were also asked to identify investments that will improve the City's effectiveness in the delivery of programs and services.

The City also hosted three focus groups in July with labor leaders, faith leaders, and members of the City's advisory and engagement equity councils. These conversations also presented the early findings of community engagement efforts to receive additional feedback.

The second phase of community engagement included three public forums that were held across the city in August 2021 on the southside, westside, and northside of Chicago. All meetings were physically accessible, provided Spanish translation services, American Sign Language interpreters, and live closed captions for the presentations.

Nearly 400 community-based organizations, labor organizations, faith leaders, equity leaders, and other city stakeholders, along with more than 260 residents, both in-person and online, participated in engagement efforts between June and August 2021.

The full community engagement report and data, as well as a report outlining how the City incorporated community engagement into the 2022 budget including LFRF, is available on the City's website at chicago.gov/2022budget.

Labor Practices

As determined during the 2022 budget appropriations process, the City of Chicago has not committed any of its LFRF funds for specific infrastructure projects or proposals. That said, the City will pursue any future infrastructure projects according to its existing labor agreements and practices that make Chicago a regional leader in strong employment opportunities and worker protections.

City and state policies relevant to any forthcoming infrastructure projects include the following:

- [City of Chicago Local Hiring Ordinance](#): Chicago's Local Hiring Ordinance states that City construction projects over \$100,000 in contract value require at least 50 percent of project hours to be worked by City residents and at least 7.5 percent of project hours to be worked by Project Area residents.
- [City of Chicago Multi-Project Labor Agreement \(PLA\)](#): the prevailing PLA dictates that any City construction, demolition, rehabilitation, or renovation project over \$25,000 in contract value will adhere to all relevant, area-wide union labor agreements and collective bargaining agreements. The current PLA is scheduled to sunset on December 31, 2021.

- [State of Illinois Prevailing Wage Act](#): Requires contractor and subcontractor to pay laborers, workers, and mechanics employed on public works projects, no less than the general prevailing rate of wages (consisting of hourly cash wages plus fringe benefits) for work of similar character in the locality where the work is performed.

The net effect of the above-mentioned city and state prevailing labor practices is to ensure that Chicago's infrastructure projects maximize their collective local impact by promoting strong employment opportunities for city workers. Note that federal regulations take precedence over city and state policies, which will only be applied to federal contracts as allowable.

The City is dedicated to fostering a new generation of construction workers that is homegrown and diverse, and that City spending is creating sustainable wealth building opportunities for historically disadvantaged residents. In order to do this, the City is continuing to work with key unions, contractors, training organizations, philanthropic organizations, and communities to build a comprehensive pipeline to employment that grows union membership and opens doors for historically disadvantaged people including those facing barriers to union participation and employment. The City is planning to participate in upcoming convenings around this specific topic that can inform the City of Chicago's execution of any forthcoming infrastructure investments funded by the ARPA LFRF.

Use of Evidence

Each proposed intervention funded by LFRF expenditures considered evidence and data to both establish the need and further develop funded programs. As part of the proposal consideration process, assessments of impact based on available research and strategies from existing planning documents were brought forward. Proposals also considered stakeholder engagement and priorities.

Now that the appropriation of funds has been finalized and execution of projects has commenced, the City will periodically review the impact of each project through assessment of performance against expected outcomes and through discussion with elected officials, community stakeholders, City staff and relevant experts. Through these ongoing performance assessments, the City will foster a culture of continuous learning and improvement.

Extensive research, case studies, and evidence about related investments were gathered from other similarly undertaken interventions, both in Chicago and elsewhere. This research yielded the following examples which are indicative of the City's approach to this key priority of new investment initiatives:

Assistance to Families

Philadelphia Worker Relief Fund – Philadelphia, PA¹

In partnership with the National Domestic Workers Alliance, local and national philanthropic partners, and trusted community-based organizations, the City of Philadelphia set up the Philadelphia Workers Relief Fund to deliver financial relief to Philadelphia workers who were left out of federal and state COVID-19 relief programs. The fund distributed over \$1.7 million in

¹ City of Philadelphia - "Final Report Philadelphia Worker Relief Fund"

emergency direct cash assistance to 2,162 workers. The funds were distributed using prepaid cards through which the City was able to track how recipients spent the money. **The data indicated that funds spent directly from the cards were predominantly used at merchants selling goods for basic needs, such as food and clothing, with 38.1% going towards groceries.**

United Way Worldwide Rationale for establishing a 211 Program²

In mid-July 2021, United Way Worldwide helped launch a 211 public service advertising campaign, aiming to connect more people in need to local available resources through 211. Across the U.S. and Canada, 211 has made a difference during COVID-19 largely in providing reliable information about the pandemic, testing or vaccination sites, or helping people stay in their homes, put food on the table and pay bills. **The 211 network made 27.8 million connections to critical services and help last year, up nearly 100% from 2019. In addition, call specialists have fielded a 150% increase in connections to food programs.**

Water and the COVID-19 Pandemic: Equity Dimensions of Utility Disconnections in the U.S.³

The U.S. Census Bureau's nationally representative 2017 American Housing Survey (AHS) included questions investigating general trends on household disconnections and evictions by income, race, and housing type. In 2017, an estimated 3 million people across 1.2 million households experienced a utility disconnection in the 3 months prior to being surveyed. Black, Native American, and mixed-race households are disproportionately impacted by utility disconnections compared to other races. **Although Black and White households receive notices at similar rates, Black households are disconnected more frequently. By contrast, White households represent 78 % of the housing stock, but only experience 61 % of the disconnections.**

Chicago Connected Phase 1 – Chicago, IL⁴

Chicago Connected Phase 1 aimed to provide a free high-speed internet service to Chicago Public School students. **In its first year, the program served 64,000 students.** Per a participant survey, 27% of participants reported no internet service prior to Chicago Connected and 82% of participants reported being neutral/satisfied/very satisfied with their overall internet service and experience. The program is meeting its goal of serving the highest need families in the City, with 93% of participants designated as economically disadvantaged. The program is also associated with higher remote school attendance, with an attendance rate of 91.2% among participants -- 0.5% higher than the overall district attendance rate at that time.

City Priorities for Health & Wellness

Mental Illness and Drug Dependency – King County, WA⁵

In 2008, King County passed a 0.1% sales tax to fund investments in behavioral health services through the Mental Illness and Drug Dependency (MIDD) program. The investments funded

² United Way – “211”

³ Pacific Institute – “Equity Dimensions of Utility Disconnections in the U.S.”

⁴ Chicago Connected 2021 Program Impact Report

⁵ King County MIDD 2017 Annual Report

prevention, early intervention, crisis diversion, community re-entry, treatment, and recovery mental health and substance use disorder services. Three years after receiving MIDD services, **psychiatric hospital admissions fell 29%, jail bookings fell 35%, and emergency department admissions fell 53%** among participants in the program. For participants served by investments in substance use disorder treatment, **37% (161 people) had reductions in their substance use.**

California FreshWorks – California⁶

In 2011, The California Endowment (TCE) launched the California FreshWorks program. FreshWorks is a financing initiative designed to bring grocery stores and markets that offer fresh produce and other innovative forms of healthy food retail to underserved communities. As of year-end 2015, FreshWorks had **deployed debt capital to 15 fresh food retail sites and intermediary organizations**, developing **435,000 square feet of retail space**, increasing access to **fresh food for over 800,000 people** across the state, and creating an **estimated 1,284 jobs.**

Measuring the Economic Impact of COVID-19 on Survivors of Color⁷

Up to 60% of survivors of intimate partner violence lose their jobs and 77% report that their harm-doer has interfered with their employment. Results of the study find that financial insecurity is greatest among Black and Brown women survivors and **survivors who lack financial resources are at greater risk of returning to a harm-doer.**

Legal Aid⁸

In 2012, Colorado’s LSC-funded legal aid closed 8,150 legal matters related to domestic violence, child abuse, and for elderly clients facing a loss of income or housing, which resulted in approximately **\$12.6 million in immediate financial benefits** and approximately **\$8.96 million in long-term financial benefits.**

The National Network to End Domestic Violence conducted a census of their 1,762 shelters and found that domestic violence survivors without legal representation are frequently further victimized and endangered (National Network to End Domestic Violence, 11th Annual Domestic Violence Courts report).

Violence Prevention

Adolescent Diversion Project (Michigan State University) - Ingham County, MI⁹

The Adolescent Diversion Project (ADP) is a strengths-based, university-led program that diverts arrested youth from formal processing in the juvenile justice system and provides them with community-based services. The intervention covers an 18-week period during which the caseworkers spend 6–8 hours per week with the juveniles in their home, school, and community. The caseworkers work one-on-one with juveniles in order to provide them with services tailored to their specific needs. Caseworkers focus on improving juveniles’ skills in several areas, including

⁶ Mission Investors Exchange - “A Case Study Examining the Development and Implementation of FreshWorks”

⁷ Me Too Movement – “Measuring the Economic Impact of COVID-19 on Survivors of Color”

⁸ Brynes, 2013

⁹ National Institute of Justice – “Program Profile: Adolescent Diversion Project (Michigan State University)”

family relationships, school issues, employment, and free-time activities. A study on the program found that **participants receiving services had a lower rate of officially recorded delinquency recidivism as compared with participants who received juvenile justice processing**. This difference was statistically significant. In addition, a cost analysis found that serving 144 youths in ADP versus traditional juvenile court results in a **savings of approximately \$1.8 million per year**.

San Francisco's Street Crisis Response Team – San Francisco, CA¹⁰

The San Francisco's Street Crisis Response Team (SCRT) program was launched in November 2020 as a partnership between the city's Department of Public Health and Fire Department. The team is dedicated to responding to 911 and 311 calls for residents having mental health crises. The program is a part of the Mayor's ongoing efforts to create non-law enforcement alternatives for non-violent emergency calls. Through the program, 911 dispatchers can send teams of community paramedics, behavioral health clinicians, and peer specialists in response to calls for service related to mental health and substance use concerns. By the end of April 2021, the program had already **responded to more than 1,000 calls incl. 20% of all the calls that 911 center labelled "mental health calls"**.

Choose to Change – Chicago, IL¹¹

Systemic racism, segregation and disinvestment have created fundamental disparities in safety, schooling and economic opportunity that continue to impact communities of color across the country and in Chicago. Research has shown that mental and behavioral health supports can make meaningful differences for youth by providing them with tools to navigate these challenging environments. But organizations providing these supports often find it challenging to engage youth disconnected from traditional institutions likely to provide social services, such as schools, or who have needs that prevent them from fully engaging in programming. Children's Home & Aid and Youth Advocate Programs (YAP), Inc. created Choose to Change: Your Mind, Your Game to help fill this gap in services and reach an underserved youth population. Since its launch in 2015 following a citywide call to action to address youth violence, Choose to Change has served hundreds of youths across the South and West Sides of Chicago. The evaluation of the program found that compared to their control peers, the youth who were a part of the program attended **an additional 7 days of school** in the year after starting the program, had **32% fewer misconduct incidents** in school, and by the end of the program, had **48% fewer violent-crime arrests** and **continued to have 38% fewer violent crime arrests** in the year and a half after the program was concluded.

Homelessness Support Services

Short-term Impacts from the Family Options Study and Supportive Services for Veteran Families¹²

In July 2015, the U.S. Department of Housing and Urban Development (HUD) and the U.S. Department of Veterans Affairs (VA) released data on the impacts of rapid re-housing. The data showed a number of benefits. Families that were enrolled in the rapid re-housing program **exited shelter in an average of 2 months, 3.2 months faster** than those families that were referred to

¹⁰ CBS Local – "San Francisco's Street Crisis Response Team Responds to Mental Health Calls"

¹¹ Urban Labs – "Choose to Change"

¹² Recent Rapid Re-Housing Research, National Alliance to End Homelessness

rapid re-housing but did not enroll. **77% of the families that enrolled in rapid re-housing did not return to shelter.** Monthly incomes for rapidly re-housed veterans increased 12% from program entry to exit. 5 families can be rapidly re-housed (\$6,578 per family) for what it costs to house one family via transitional housing (\$32,557 per family) and the cost was much lower as compared to emergency shelter stays (\$16,829).

Youth Opportunities

Understanding the Potential of Summer Jobs Programs for Youth in Philadelphia – Philadelphia, PA¹³

WorkReady program run by the Philadelphia Youth Network (PYN) helps teenagers and adults to engage in a meaningful summer employment. The program provides incentives-based programs targeted towards people within the age group of 12-24 with little to no previous work experience. The program offers opportunities for career exploration and engages participants in hourly work-based experiences. As per a PYN survey, about 21% of the participants never had a job and about 65% of the participants were unemployed prior to enrolling in WorkReady program. A research paper from NBER¹, which studied Philadelphia's WorkReady program for the summers of 2017 and 2018, reported that participation in WorkReady generated **a 65 % decline in arrests relative to the control complier mean** (the implied mean outcome for those in the control group who would have accepted the treatment if it had been offered to them)

New York City Summer Youth Employment Program (SYEP) – New York City, NY¹⁴

The program was administered by the New York City Department of Youth and Community Development (DYCD) and was designed to improve school attendance, academic achievement, and employment of low-income youth between the ages of 12 – 24. Youths who were selected for the SYEP program were offered two main services: minimum-wage entry jobs with private/public employers and educational services. A study by Erin Valentine and colleagues, conducted in 2017, suggested that there was a difference in total employment, with 72.3% of the SYEP participants being employed during the application summer vs. 18.5% of the control group. There was a statistically significant difference in total earnings, **with SYEP participants earning an average of \$580 more than the control group.**

One Summer Chicago Plus – Chicago, IL¹⁵

Researchers at the University of Chicago Urban Labs (Chicago) announced the results of a study of One Summer Chicago Plus, a summer jobs program designed to reduce violence and prepare youth for living in some of the City's highest violence neighborhoods. The study was carried out over the summer and provided a 6-week minimum wage job for 25 hours / week. **The study concluded that youth summer job program participants' violent crime arrests dropped by 30%+ over the subsequent year.**

Arts & Culture

¹³ Abdul Latif Poverty Action Lab - "Understanding the Potential of Summer Jobs Programs for Youth in Philadelphia"; National Bureau of Economic Research – "When Scale and Replication Work: Learning from Summer Youth Employment Experiment"

¹⁴ National Institute of Justice – "New York City Summer Youth Employment Program (SYEP)"

¹⁵ University of Chicago - "Chicago jobs program reduces youth violence, Urban Labs study shows"

Artist relief – Across the US¹⁶

Artist Relief is an emergency initiative founded in 2020 by a coalition of national arts Grantmakers to offer financial and informational resources to artists across the United States in response to the COVID-19 pandemic. The initiative was organized by the Academy of American Poets, Artadia, Creative Capital, Foundation for Contemporary Arts, MAP Fund, National YoungArts Foundation, and United States Artists—all mid-sized national arts Grantmakers—to distribute **\$5,000 grants** to artists facing dire financial emergencies. In total, Artist Relief distributed close to **\$23.4 million** in emergency grants to **4,680 artists over a period of 15 months**.

Arts – Cleveland, OH¹⁷

Research has been conducted in **Cleveland, OH**, which found that the arts in the city contributed to 3 major public benefits: 1). Individual Development 2). Quality of Life - development of social capital and improve public safety 3). Economic Impact - **"arts annually contribute \$1.3 billion to the regional Cuyahoga County economy**.

Community Development

How to Reduce Crime and Gun Violence and Stabilize Neighborhoods: A Randomized Controlled Study – Philadelphia, PA¹⁸

Research conducted at Columbia University's Mailman School of Public Health announced the results of a study around the impact that cleaning vacant land can have on crime reduction. The study randomly selected 541 vacant lots that were assigned to receive restoration or as control sites. Crime data was then reviewed via police reports and 445 residents living nearby the studied lots were interviewed. Findings included: **29% reduction in gun violence, 22% decrease in burglaries, and 30% reduction in nuisance crimes (i.e., vandalism, noise complaints, etc.)**. Additionally, **58% of residents reported reduced safety concerns and >75% increased use of outdoor spaces**.

Mastercard Pro Bono Data Analysis for Chicago 2020¹⁹

A \$4.5m investment was made to re-open a long-shuttered auditorium, now known as the Kehrein Center for the Arts in the Austin neighborhood of Chicago. Mastercard's data driven insights indicate the reopening in 2019 may have led to more visitors and associated spend in Austin. Analysis showed a **12% increase in spending across Austin**, an **18% increase in spending in census tracts adjacent to the Arts Center**, **9.8% increase in number of transactions**, and **2.6% more active businesses** in Austin.

Summary of Current Equitable Transit Oriented Development ("ETOD") Policy - Data Analysis²⁰

Research shows that residents who live in transit-oriented communities walk and use transit more which contributes to better health outcomes and reduced greenhouse gas emissions. ETOD also contributes to the local and regional economy through increased land values, more efficient cost

¹⁶ Artist relief- "To support artists during the COVID-19 crisis..."

¹⁷ Cuyahoga Arts & Culture - "The Public Benefits and Value of Arts & Culture"

¹⁸ "How to Reduce Crime and Gun Violence and Stabilize Neighborhoods: A Randomized Controlled Study" – Columbia University, 2018

¹⁹ Mastercard pro bono data analysis for Chicago 2020

²⁰ "Summary of Current ETOD Policy - Data Analysis"

to provide services, and through reducing the amount that individuals spend on transportation. One Chicago study estimated that every **1% reduction in the private cost** of transportation **would free \$1 billion annually** to meet family needs and improve the job-creating health of businesses. Households in areas with TOD project activity have, on average, transit access to **1.73 times more jobs than households in areas without TOD project activity**. TOD projects created an estimated **75,533 new jobs in the City between 2016-2019** (from city analysis).

Portland Community Investment Trust – Portland, OR²¹

Portland Community Investment Trust offers a solution which allows residents to grow their wealth in assets with a focus on assets located in their neighborhoods. Residents had an opportunity to purchase equity shares in commercial real estate (strip mall) for \$10-\$100/month (backed by a no-loss guarantee). There have been over **300 investors among more than 160 families** in the highest poverty census tract in the state. During the first two years of the program, **68%** of the investors **are first time investors**; **59%** of investors are **from minority groups**; **54%** of households **made \$40K or less** and **53% of investors are renters**. This has allowed residents to take an ownership position in their community assets.

Small Business & Workforce Support

Participants work up to 4 days a week on a CEO work crew thereby gaining the knowledge, experience, and training to become permanently employed. Once per week, participants attend one-on-one job coaching and development programs. The program has served over 800 Philadelphians and placed nearly 440 men in permanent, unsubsidized jobs with an average wage of nearly \$12 per hour. Through the program, participants have had a **25% reduction in incarceration for new crimes**, **48% increase in employment** after 36 months, and a **16% lower recidivism rate**.

Activation of Vacant Storefronts – Pittsburgh, PA & Portland, OR²²

Project Pop Up in Pittsburgh, PA provided 6-12-month leases for 11 art/retail pop ups per year. These pop-up shops consisted of art, shops, and food. This resulted in **increased occupancy** of all but one of the lots with renovation plans in the works for the vacant lot. PDX Pop-Up shops in Portland OR provided 4 pop-ups per year on 2-month leases which consist of high-end curated shops downtown. **This resulted in 19 spaces being leased out long-term**.

Pullman Historic District: A Partnership in place-based investment – Chicago, IL²³

The Pullman neighborhood on Chicago's southside went into a steady decline after the Second World War due to the reduction in industrial activity. This led to a significant loss of jobs and disinvestment and by 2000 28% of residents were below the poverty line. Listening to the community's desire for economic development and need of items such as healthy and affordable after the financial crisis, several entities partnered to invest into the Pullman neighborhood. Companies such as Method, Walmart, and Whole Foods established locations and hired residents from the Pullman neighborhoods. Additionally, U.S. Bank along with donations from several others aided in opening the Pullman Community Center – which offered residents a

²¹ Case Study: The Community Investment Trust, InvestCit

²² Tiebout 2017, DowntownPittsburgh.com. Accessed September 13, 2021

²³ Community Desk Chicago - Community Wealth Building: Strengthening Chicago's Ecosystem. Breakout Session: Community Wealth Building via Commercial Real Estate. July 29, 2021

135,000 square foot recreation and education facility. This place-based investment with high levels of community engagement and responsiveness saw the following improvements **16% increase of average income, 20% increase in property values, and 52% reduction in violent crime.**

Tourism & Industry Support

North Dakota²⁴

Tourism marketing has been shown to generate significant economic impact by driving visitation. North Dakota provides a good case study with a decade long campaign that has been successful in connecting the state to potential travelers in an emotional and authentic manner. The most recent return on investment research shows that North Dakota's U.S. campaign generated over \$100 in visitor spending for every dollar spent on advertising. Additionally, survey results from the firm Longwoods International show that viewers were more positive in viewing North Dakota as a place to live, to start a career, to start a business, to attend college, to purchase a second home, and to retire. **Survey results for the advertising campaigns of North Carolina, Michigan, Minnesota, Ohio, and Wisconsin were consistent. These results show the potential of tourism marketing to not only drive visitation, but to create long-term benefits through economic development.**

Columbus, OH – Challenges of City Branding²⁵

Via collaborative leadership, work done by the city's Economic Development Organization (EDO) and Destination Marketing Organization (DMO), as well as community engagement the *Smart and Open* brand was created. Via this brand and collaboration, Columbus saw **growth of 36% in visitor spending and 21% growth in room nights from 2012 to 2016.**

Tourism Advertising Impact Studies – U.S. News²⁶

Impact studies were conducted on the success of California and Colorado's tourism advertising campaigns. **Studies show that the "Visit California" campaign resulted in \$369 generated for every advertising dollar spent.** Colorado's "Come to Life" campaign has generated \$546 spending for every advertising dollar spent, which is one of the highest ROIs in the country.

Table of Expenses by Expenditure Category

The City of Chicago passed its 2022 budget and accompanying LFRF initiatives in October 2021. As requested by the U.S. Department of the Treasury, this report has been updated to include allocated funds by category, as indicated in the U.S. Department of the Treasury Portal Recipient Reporting User Guide. As of 8/31/21, the City of Chicago had not made any expenditures using LFRF funds. The City will make its final 2021 revenue replacement calculation and subsequent expenditure when the 2021 fiscal year ends.

²⁴ Forbes – "Why Tourism Advertising Is More Powerful Than You Think". Accessed September 13, 2021

²⁵ "How Columbus broke through the challenges of city branding- "Align 2 Market. <https://align2market.com/how-columbus-broke-through-the-challenges-of-city-branding/>. Accessed September 13, 2021

²⁶ Is Pure Michigan a Clear Success? – U.S. News & World Report. <https://www.usnews.com/news/best-states/articles/2018-10-22/the-impact-of-the-pure-michigan-tourism-campaign>. Accessed September 13, 2021

Category		Allocation (per 2022 budget, \$)	Cumulative expenditures to date (as of 8/31, \$)
1	Expenditure Category: Public Health	85,000,000	-
1.1	COVID-19 Vaccination	-	
1.2	COVID-19 Testing	-	
1.3	COVID-19 Contact Tracing	-	
1.4	Prevention in Congregate Settings (Nursing Homes, Prisons/Jails, Dense Work Sites, Schools, etc.)	-	
1.5	Personal Protective Equipment	-	
1.6	Medical Expenses (including Alternative Care Facilities)	-	
1.7	Capital Investments or Physical Plant Changes to Public Facilities that respond to the COVID-19 public health emergency	-	
1.8	Other COVID-19 Public Health Expenses (including Communications, Enforcement, Isolation/Quarantine)	-	
1.9	Payroll Costs for Public Health, Safety, and Other Public Sector Staff Responding to COVID-19	8,000,000	
1.10.	Mental Health Services	32,000,000	
1.11	Substance Use Services	5,000,000	
1.12	Other Public Health Services	40,000,000	
2	Expenditure Category: Negative Economic Impacts	293,000,000	-
2.1	Household Assistance: Food Programs	10,000,000	
2.2	Household Assistance: Rent, Mortgage, and Utility Aid	-	
2.3	Household Assistance: Cash Transfers	71,000,000	
2.4	Household Assistance: Internet Access Programs	10,000,000	
2.5	Household Assistance: Eviction Prevention	-	
2.6	Unemployment Benefits or Cash Assistance to Unemployed Workers	-	
2.7	Job Training Assistance (e.g., Sectoral job-training, Subsidized Employment, Employment Supports or Incentives)	85,000,000	
2.8	Contributions to UI Trust Funds*	-	
2.9	Small Business Economic Assistance (General)	51,000,000	
2.10.	Aid to nonprofit organizations	-	

2.11	Aid to Tourism, Travel, or Hospitality	20,000,000	
2.12	Aid to Other Impacted Industries	10,000,000	
2.13	Other Economic Support	36,000,000	
2.14	Rehiring Public Sector Staff	-	
3	Expenditure Category: Services to Disproportionately Impacted Communities	179,000,000	-
3.1	Education Assistance: Early Learning	-	
3.2	Education Assistance: Aid to High-Poverty Districts	-	
3.3	Education Assistance: Academic Services	-	
3.4	Education Assistance: Social, Emotional, and Mental Health Services	-	
3.5	Education Assistance: Other	20,000,000	
3.6	Healthy Childhood Environments: Child Care	-	
3.7	Healthy Childhood Environments: Home Visiting	-	
3.8	Healthy Childhood Environments: Services to Foster Youth or Families Involved in Child Welfare System	-	
3.9	Healthy Childhood Environments: Other	-	
3.10.	Housing Support: Affordable Housing	-	
3.11	Housing Support: Services for Unhoused persons	20,000,000	
3.12	Housing Support: Other Housing Assistance	10,000,000	
3.13	Social Determinants of Health: Other	9,000,000	
3.14	Social Determinants of Health: Community Health Workers or Benefits Navigators	15,000,000	
3.15	Social Determinants of Health: Lead Remediation	-	
3.16	Social Determinants of Health: Community Violence Interventions	105,000,000	
6	Expenditure Category: Revenue Replacement	1,319,592,000	-
6.1	Provision of Government Services	1,319,592,000	
7	Administrative and Other	10,000,000	-
7.1	Administrative Expenses	-	
7.2	Evaluation and data analysis	10,000,000	
7.3	Transfers to Other Units of Government	-	

Project Inventory

Initiative Name	Sobering center
Initiative ID	CRP-0018
Funding Amount (\$MM)	5.0
UST Expenditure Category	1.11: Substance Use Services
Project Overview	Create a new facility to enhance public safety and health outcomes by providing an alternative to emergency room/jail for publicly intoxicated individuals to initiate recovery

Initiative Name	Family Connects program
Initiative ID	CRP-0012
Funding Amount (\$MM)	25.0
UST Expenditure Category	1.12: Other Public Health Services
Project Overview	Expand supportive in-home healthcare services to new moms to improve maternal health outcomes of mothers and infants

Initiative Name	911 alternative response
Initiative ID	CRP-0015
Funding Amount (\$MM)	15.0
UST Expenditure Category	1.12: Other Public Health Services
Project Overview	Improve the City's response to 911 calls by piloting new approaches to 911 call diversion, alternate response models, and establishing alternate destinations for patient transport

Initiative Name	COVID-19 emergency response
Initiative ID	CRP-0017
Funding Amount (\$MM)	8.0
UST Expenditure Category	1.9: Payroll Costs for Public Health, Safety, and Other Public Sector Staff Responding to COVID-19
Project Overview	Additional funding for Chicago's emergency response to the COVID-19 pandemic

Initiative Name	Mental health equity initiative
Initiative ID	CRP-0014
Funding Amount (\$MM)	20.0
UST Expenditure Category	1.10.: Mental Health Services
Project Overview	Strengthen mental health care citywide through trauma-informed centers of care, mobile team-based care, specialized services such as early-childhood mental health and mental health services for children with developmental disabilities, and residential or intensive outpatient treatment for persons with co-occurring mental health and substance use disorders

Initiative Name	High utilizer diversion housing
Initiative ID	CRP-0031
Funding Amount (\$MM)	12.0
UST Expenditure Category	1.10.: Mental Health Services

Project Overview	Program to create new capacity for high utilizers of jail and emergency services in order to divert them from the criminal justice system and other institutional settings
Initiative Name	Food equity program
Initiative ID	CRP-0016
Funding Amount (\$MM)	10.0
UST Expenditure Category	2.1: Household Assistance: Food Programs
Project Overview	Increase equitable community access to healthy foods and support local food businesses through entrepreneurship, public-private partnerships, and an urban agriculture initiative
Initiative Name	Promote Chicago via marketing efforts and signature events to drive business and attract tourism
Initiative ID	CRP-0047
Funding Amount (\$MM)	20.0
UST Expenditure Category	2.11: Aid to Tourism, Travel, or Hospitality
Project Overview	Drive tourism and business support by showcasing key destinations in neighborhood hubs via marketing, media, and events/programming. Program will also emphasize stories of real Chicagoans to target communications to businesses that highlight the diversity of Chicago's economy and human capital
Initiative Name	Artist relief and works fund
Initiative ID	CRP-0033
Funding Amount (\$MM)	10.0
UST Expenditure Category	2.12: Aid to Other Impacted Industries
Project Overview	Targeted relief for individual artists and cultural organizations not eligible for other federal relief programs
Initiative Name	Together We Heal place-making grants
Initiative ID	CRP-0034
Funding Amount (\$MM)	6.0
UST Expenditure Category	2.13: Other Economic Support
Project Overview	Support for projects that utilize community engagement to produce cultural projects including community-led public art installations, historical walking tours, neighborhood, and educational websites, pop up galleries, and other cultural activations
Initiative Name	Vacant lot reduction strategy
Initiative ID	CRP-0037
Funding Amount (\$MM)	5.0
UST Expenditure Category	2.13: Other Economic Support
Project Overview	Reactivate vacant city-owned land and build community wealth by streamlining environmental reviews and transferring ownership to neighborhood residents for community benefit.
Initiative Name	Community wealth building pilot
Initiative ID	CRP-0039
Funding Amount (\$MM)	15.0
UST Expenditure Category	2.13: Other Economic Support

Project Overview	Create a new economic development program to promote local, democratic, and shared ownership and control of community assets; pilot investments in shared-equity models (e.g., worker cooperatives, housing cooperatives, community land trusts), giving historically disinvested communities more accessible and sustainable pathways to building wealth
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Initiative Name	Street ambassador program
Initiative ID	CRP-0045
Funding Amount (\$MM)	10.0
UST Expenditure Category	2.13: Other Economic Support
Project Overview	Create workforce opportunities for engagement along corridors to ensure safety, cleanliness, and local participation in commercial development processes

Initiative Name	Targeted financial and legal assistance for underserved residents
Initiative ID	CRP-0006
Funding Amount (\$MM)	71.0
UST Expenditure Category	2.3: Household Assistance: Cash Transfers
Project Overview	Create immediate financial assistance programs for underserved communities such as undocumented residents, domestic workers, and small community-based nonprofits providing safety net services; pilot a monthly cash assistance program for hard-hit, low-income households in need of additional economic stability; expand legal assistance programs through the Legal Protection Fund and Community Justice Initiative

Initiative Name	Increasing access to broadband internet connection
Initiative ID	CRP-0008
Funding Amount (\$MM)	10.0
UST Expenditure Category	2.4: Household Assistance: Internet Access Programs
Project Overview	Expand Chicago Connected by funding neighborhood-scale broadband, which leverage City assets to increase broadband affordability and accessibility in communities

Initiative Name	Workforce development program
Initiative ID	CRP-0011
Funding Amount (\$MM)	10.0
UST Expenditure Category	2.7: Job Training Assistance (e.g., Sectoral job-training, Subsidized Employment, Employment Supports or Incentives)
Project Overview	Provide workforce development programming, including apprenticeship, career services and other wrap-around support for those entering the workforce or new industries

Initiative Name	Youth programs
Initiative ID	CRP-0032
Funding Amount (\$MM)	65.0
UST Expenditure Category	2.7: Job Training Assistance (e.g., Sectoral job-training, Subsidized Employment, Employment Supports or Incentives)
Project Overview	Create and expand a comprehensive portfolio of programs to connect Chicago youth with early career opportunities, as well as an expansion of the popular My CHI. My Future. program to increase opportunities for out-of-school programming and education

Initiative Name	Re-entry workforce program
Initiative ID	CRP-0046
Funding Amount (\$MM)	10.0
UST Expenditure Category	2.7: Job Training Assistance (e.g., Sectoral job-training, Subsidized Employment, Employment Supports or Incentives)
Project Overview	Expand workforce training opportunities for formerly incarcerated individuals to attain employment and other stabilization services

Initiative Name	Commercial corridors and responsive neighborhood activation investments
Initiative ID	CRP-0044
Funding Amount (\$MM)	51.0
UST Expenditure Category	2.9: Small Business Economic Assistance (General)
Project Overview	Provide grants and business support services to revitalize commercial corridors, support new small business owners, local artists involved in beautification projects; also includes community programs to drive local participation in the planning process and workforce participation in community-driven development projects

Initiative Name	Rapid rehousing program
Initiative ID	CRP-0029
Funding Amount (\$MM)	20.0
UST Expenditure Category	3.11: Housing Support: Services for Unhoused persons
Project Overview	Additional resources to ensure those at-risk of homelessness, including those at risk of domestic violence, can access rehousing services and wraparound services en route to permanent housing solutions

Initiative Name	Equitable Transit-Oriented Development (ETOD) program
Initiative ID	CRP-0040
Funding Amount (\$MM)	10.0
UST Expenditure Category	3.12: Housing Support: Other Housing Assistance
Project Overview	Advance local housing, public health, climate resiliency and economic recovery goals by supporting community-driven development near transit to foster healthy, walkable, affordable, and accessible communities

Initiative Name	Environmental justice/hazard reduction program
Initiative ID	CRP-0025
Funding Amount (\$MM)	9.0
UST Expenditure Category	3.13: Social Determinants of Health: Other
Project Overview	Invest in impact assessment capabilities for pollution, residential and industrial hazards in communities that drive inequitable health outcomes for residents

Initiative Name	Access and awareness for public support services
Initiative ID	CRP-0009
Funding Amount (\$MM)	15.0
UST Expenditure Category	3.14: Social Determinants of Health: Community Health Workers or Benefits Navigators
Project Overview	Provide community-based navigation resources to ensure residents are aware of public services and can gain access, including the creation of a 211 system

Initiative Name	Gender-based violence reduction
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Initiative ID	CRP-0013
Funding Amount (\$MM)	20.0
UST Expenditure Category	3.16: Social Determinants of Health: Community Violence Interventions
Project Overview	Assist survivors of gender-based violence through emergency funds, legal assistance, prevention education, housing, and other care coordination services

Initiative Name	Resources for community safety initiatives and violence reduction interventions
Initiative ID	CRP-0019
Funding Amount (\$MM)	45.0
UST Expenditure Category	3.16: Social Determinants of Health: Community Violence Interventions
Project Overview	Fund a comprehensive set of programs including operational support and staffing for the CSCC, communications and marketing for violence prevention and reduction, expansion of resources for violence intervention programming and support for community groups

Initiative Name	Youth intervention programs
Initiative ID	CRP-0020
Funding Amount (\$MM)	20.0
UST Expenditure Category	3.16: Social Determinants of Health: Community Violence Interventions
Project Overview	Expand interventions for young people with violence involvement--both victims and perpetrators--that will include case management and services such as mental health, employment support and other wraparound services.

Initiative Name	Youth justice diversion
Initiative ID	CRP-0021
Funding Amount (\$MM)	10.0
UST Expenditure Category	3.16: Social Determinants of Health: Community Violence Interventions
Project Overview	Implementation of a new youth deflection and diversion model in Chicago, including facility/space needs and social services.

Initiative Name	Victim support funding
Initiative ID	CRP-0022
Funding Amount (\$MM)	10.0
UST Expenditure Category	3.16: Social Determinants of Health: Community Violence Interventions
Project Overview	Services and supports for victims of violent crime and their families, including mental health supports, crisis intervention, support with Crime Victim Compensation, housing, food, and more.

Initiative Name	Aid for Chicago's vulnerable students
Initiative ID	CRP-0007
Funding Amount (\$MM)	20.0
UST Expenditure Category	3.5: Education Assistance: Other
Project Overview	Provide flexible grants for Chicago students/households to cover school supplies, food and other essentials that are required for student support

Initiative Name	Essential City Services
Initiative ID	CRP-0048
Funding Amount (\$MM)	1319.6
UST Expenditure Category	6.1: Provision of Government Services

Project Overview	The City is allocating a portion of revenue replacement funding, as calculated using audited financial numbers from 2022 to fund essential government services. The actual calculation will be finalized after the 2021 fiscal year is completed, but based on current expenditures, the City is proposing to fund the following estimated department personnel and contractual services costs from the second through fourth quarter of 2021.
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Initiative Name	Updates to City digital services
Initiative ID	CRP-0042
Funding Amount (\$MM)	10.0
UST Expenditure Category	7.2: Evaluation and data analysis
Project Overview	Investments in IT and digital service delivery teams to improve the effectiveness of relief and support programs addressing negative economic impacts exacerbated by the pandemic

Please refer to the “Use of Evidence” section for more detail on the evidence basis for these programs. Many of these programs and underlying research meet the definition of an evidence-based intervention with strong or moderate evidence, as described in the LFRF Recipient Compliance and Reporting Responsibilities resources. In addition, the City of Chicago will continue to establish evidence-based approaches for LFRF-funded programs, as appropriate. Please refer to the “Performance Report” section below for additional information on the City’s ongoing evaluation processes.

Performance Report

Performance management is critical to achieving the scale of change that the Chicago Recovery Plan seeks to deliver to transform the City. Given the number of initiatives that will be underway, the City plans to create mechanisms to assess each initiative’s impact on the City’s vitality while meeting compliance requirements. Performance metrics are still being developed for LFRF-funded initiatives and will be included in subsequent Project and Expenditure Reports, as directed by recent guidance from the U.S. Department of the Treasury dated November 5, 2021.

The Chicago Recovery Plan learning agenda and performance management capability is consistent with the evidence-based selection criteria applied to identify the initiatives. Selected initiatives have delivered positive outcomes either in Chicago or in other communities that can be adapted to meet Chicago’s unique requirements. Therefore, the selected initiatives have a demonstrated track record of success to draw upon which will improve outcomes, invest funds effectively, and better manage risks. Based upon evidence, each initiative will establish performance measures to track progress, impacts and outcomes. Furthermore, it will be important to monitor the timing of these funds as they are one-time in nature. As initiatives are further developed and implemented, there will be rigorous timelines and schedules to ensure initiatives are one-time uses, or to the extent that they are ongoing programs, transition plans will need to be developed and implemented. Chicago’s approach to implementing a performance culture is supported by four key elements: foundational fact finding, policy analysis, program evaluation, and performance management.

As part of this effort, the City will be tracking initiative performance and impact, led in part by a dedicated Program Management Office (“PMO”). This effort aims to allow stakeholders to have

access to publicly reported information on expenditures, performance, and delivery in order to be transparent with the community and hold the City accountable to results and continuous improvement.

The role of the PMO is to:

1. **Provide operational support** to City departments and external partners
 - a. Coordinate internal city resources to enable initiative execution
 - b. Monitor and escalate implementation risks to progress challenges
 - c. Ensure external parties can become partners in this work by building organizational capacity
2. **Coordinate implementation plans** across departments and in hardest-hit communities
 - a. Provide a platform for cross-departmental coordination in key neighborhoods hardest-hit by the pandemic to maximize impact on a block-by-block level
 - b. Coordinate program evaluation of initiatives and provide feedback in support of ongoing policy analysis, continuous improvement, and learning
3. **Report on progress** and amplify communication on the positive impacts of the CRP
 - a. Support compliant funds management and reporting requirements as set forth by the U.S. Department of Treasury, including performance reporting
 - b. Capture meaningful progress and provide clear updates to allow the Mayor to inform the general public and other stakeholders