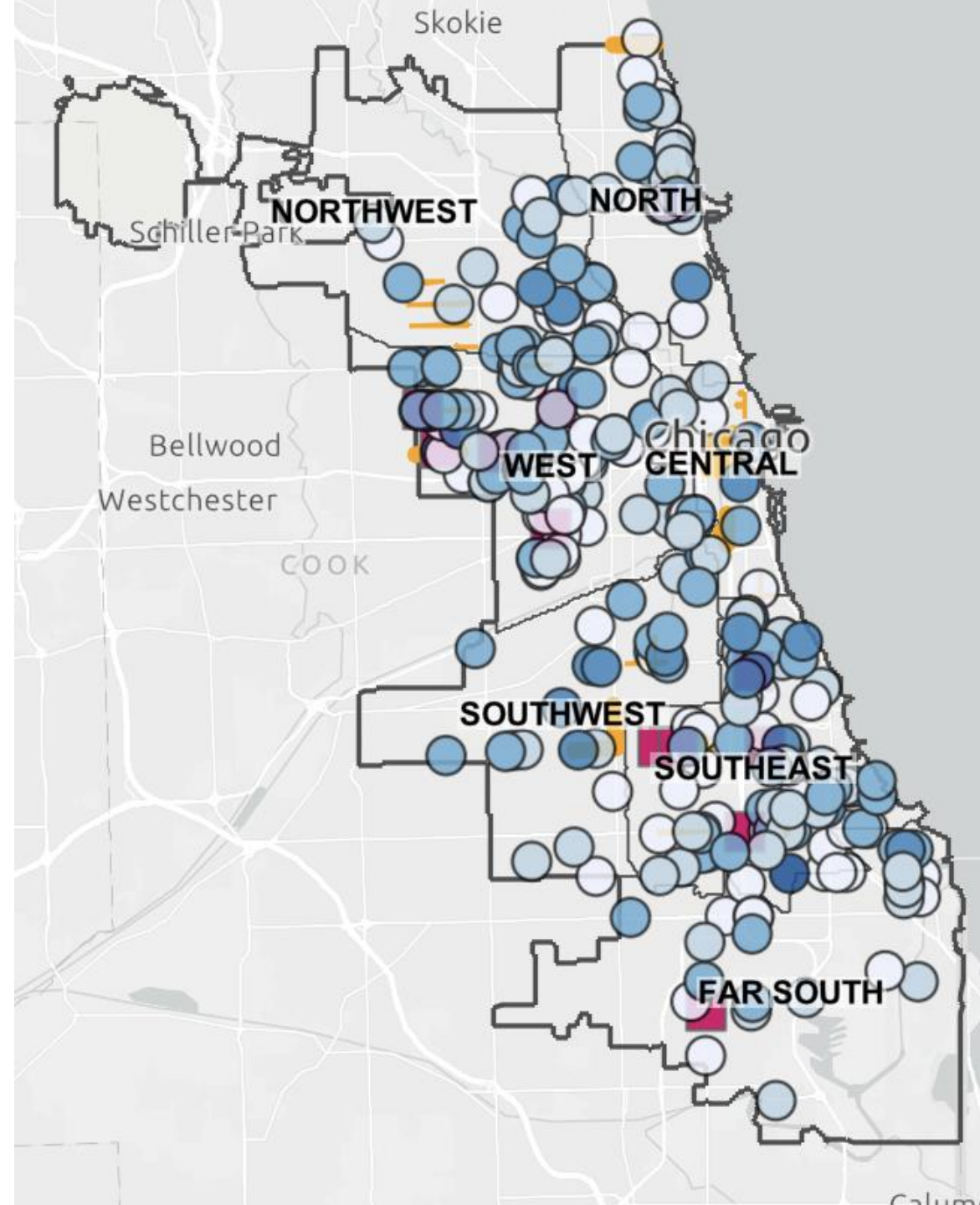# CHICAGO RECOVERY PLAN

Agenda

All programs for today's session are for $250,000 and under

- Overview of Chicago Recovery Plan Small Grant Program

- Community Development Grant

- Equitable Transit Oriented Development

- Climate Infrastructure Fund

Chicago Recovery Plan Overview

As of May 2023, the Chicago Recovery Plan has allocated almost $61 Million in grant funding to small business and nonprofits in communities across the city.
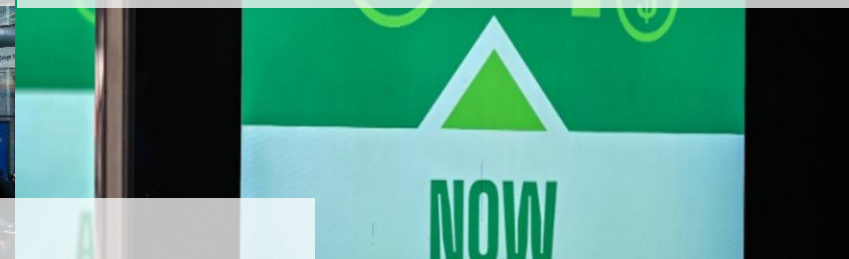
Community Development Grants

Equitable Transit Oriented Development

Climate Investment Fund

All programs are for grants up to $250,000

Chicago Recovery Plan Grant Overview

Apply for grant funding up to $250,000

Eligibility can include commercial, mixed-use, light manufacturing, and residential (within specific guidelines)

Eligibility can include "Vanilla Box Projects" which are undergoing construction without a known tenant

Open to businesses, developers, property owners and nonprofits *(with exceptions based on specific programs)*

Selected projects must be completed within two years

A reimbursement-based grant; funds are distributed after four specific project milestones

Projects are strongly encouraged to have established site control documentation or proof of attaining site control (i.e. deed, lease, etc.)

Timeline

Each grant has different requirements, but has a 2-year timeline for project completion

Application closes August 18th, 2023

Finalists will be announced in late 2023

0-6 Months – Administrative phase and document submission, finalize project scope

Conditional Award Letter

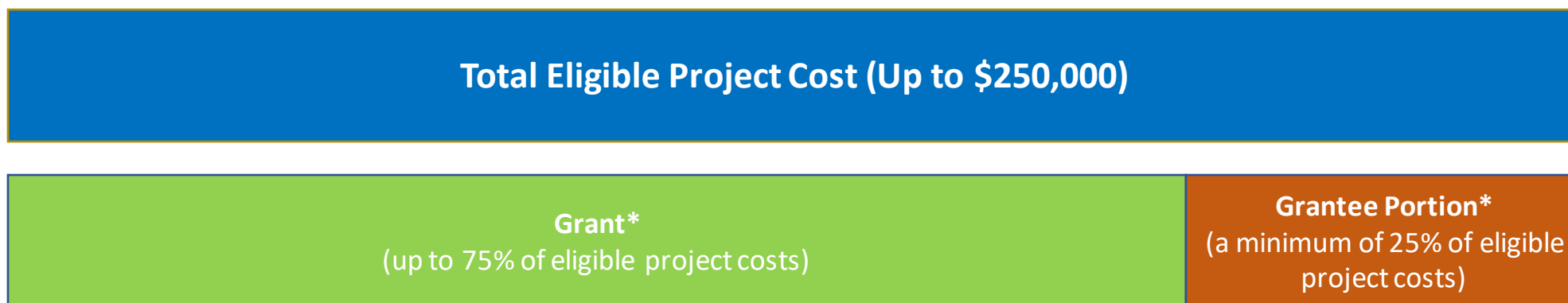6-18 Months – Grant Recipient Project is underway

18-24 Months – Project closeout

GRANT STRUCTURE

Grant funds are awarded based on total project cost and determination of eligible expenses- *all programs are reimbursement-based grants*

Total Eligible Project Cost (Up to $250,000)

Grant* (up to 75% of eligible project costs)	Grantee Portion* (a minimum of 25% of eligible project costs)

Regardless of the total project cost, the maximum award amount for small grants is $250,000

Climate Infrastructure Fund projects are eligible for grants up to 100% of eligible project costs, capped at a total project cost of $250,000.

Project Selection

Each program has its own review process, but generally priority will be given to applications that incorporate these components:

Catalytic projects with a strong local impact (job creation, amenities and services that benefit the community, alignment with local community plans, community wealth building, etc.)

Projects located in historically disinvested areas that build upon existing efforts, such as INVEST South/West and community safety initiatives

Projects that demonstrate momentum and are expected to break ground in 2024

Established site control is preferred, but will consider those working to obtain site control

Community Development Grants

Community Development Grant Overview

The Chicago Recovery Plan aims to create:

Thriving and Safe Communities through the investment in the well-being of people and communities; and improving community safety

Equitable Economic Recovery through investment into communities hardest hit by the COVID pandemic.

Through the development grant programs the City aims to:

- Strengthen local corridors
- Enhance neighborhood vitality
- Drive equitable economic recovery

Community Development Grant - Eligibility

This application is open to:

- ✓ Commercial, mixed-use, or light manufacturing projects

- ✓ Business owners and entrepreneurs, property owners, non-profit organizations, and community developers

- ✓ Applicants from all areas of Chicago

- ✓ Expansion or Renovation for existing businesses

- ✓ New Locations for start-up businesses or existing businesses

- ✓ New Construction at vacant properties

- ✓ "Vanilla box'" projects (where tenant is not yet known) with a strong community impact

Ineligible projects include Social service/assistance, place of worship or religious use, heavy industrial/manufacturing, a form of non-revenue generating activity, or a home-based business location.

CDG-S Eligible Expenses

Eligible expenses include:

- Major exterior and interior renovations to existing businesses

- Build-outs for incoming businesses

- Acquisition, architectural/design, engineering, site prep, demolition and construction fees

- Roofing, masonry, façade, windows, doors

- Mechanical systems, such as HVAC, electrical, and plumbing

- Security systems, ADA accessibility improvements

Other items can be included in the total project cost, but may not be reimbursable; all expenses that are submitted will be reviewed

Application Tips
Things to keep in mind

① Readiness

Chicago Recovery Plan grants prioritize projects that are likely to break ground in 2024. Projects can demonstrate readiness by providing:

- A detailed project budget and construction timeline
- Construction and design documents
- Site control documentation
- An established architect, with preference given those self-certified

② Feasibility

Projects are more competitive when:

- The necessary portion of their overall financing has been secured and permits have been issued
- They include a detailed business plan and leadership team summary
- They upload a profit and loss statement or other documentation that demonstrates their financial stability

③ Community Impact

Focuses on how the project will benefit the community, how the project integrates design principles from the neighborhood design guidelines, and where the project is located.

Demonstrate community engagement by submitting letters of support from community members and leaders.

Provide a detailed plan for community engagement and outreach.

④ Due Diligence

We check for City-owed debt, Cook County property tax debt, and zoning compliance

Business must be in Good Standing with the State of Illinois

Climate Infrastructure Fund Overview

Climate Infrastructure Fund (CIF)

The purpose of this program is to accelerate Chicago's transition to the green economy by seeding climate projects across Chicago that align with the 2022 Climate Action Plan of reducing emissions 62% by 2040 and driving equitable co-benefits to all Chicagoans.

Through these grants, the City aims to:

- Promote solar and other community-based renewable energy sources

- Decarbonize buildings and support energy efficiency improvements

- Increase electric vehicle ownership and presence of associated charging infrastructure

- Improve resilience infrastructure

Who can apply and what do funds cover?

This application is open to:

✓ 501(c)(3) nonprofit organizations and small businesses, _including religious organizations_

✓ Priority given to applicants located in or serving populations in historically underserved, under-resourced, and environmental justice communities

✓ INELIGIBLE PROJECTS: residential uses, industrial uses, comprehensive renovations where climate is only a small component

Eligible expenses include:

✓ Pre-development such as energy assessments, site plans

✓ Construction and renovation costs for permanent capital improvement projects

✓ Specific eligible expenses by project type (next slides)

Only eligible expenses can be covered by the Climate Infrastructure Fund. Final eligibility will be determined on a project-by-project basis. Other items can be included in the total project cost, but those will not be reimbursable.
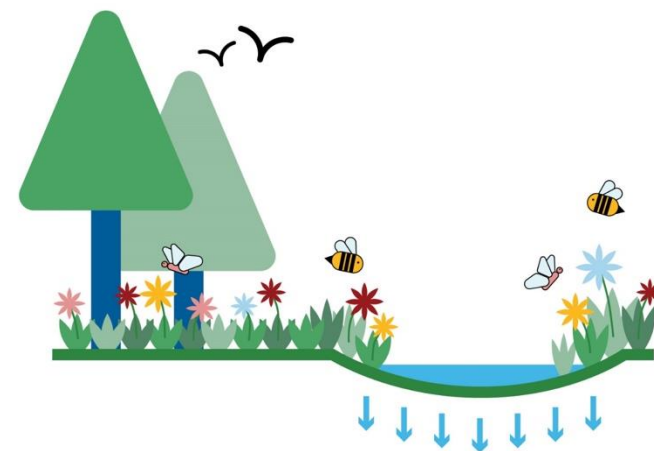
Project Types*
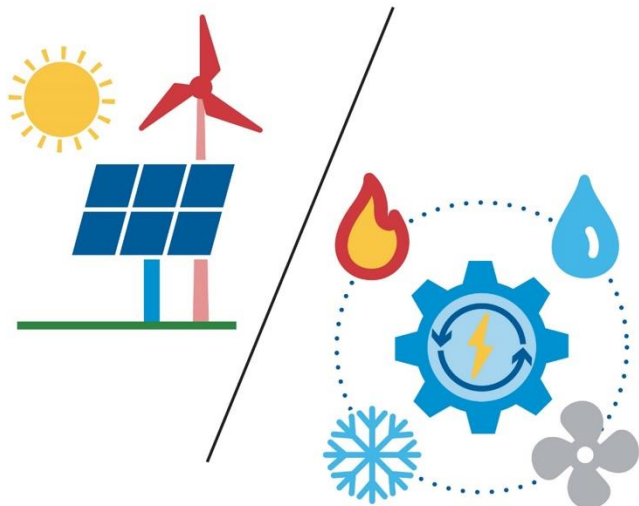
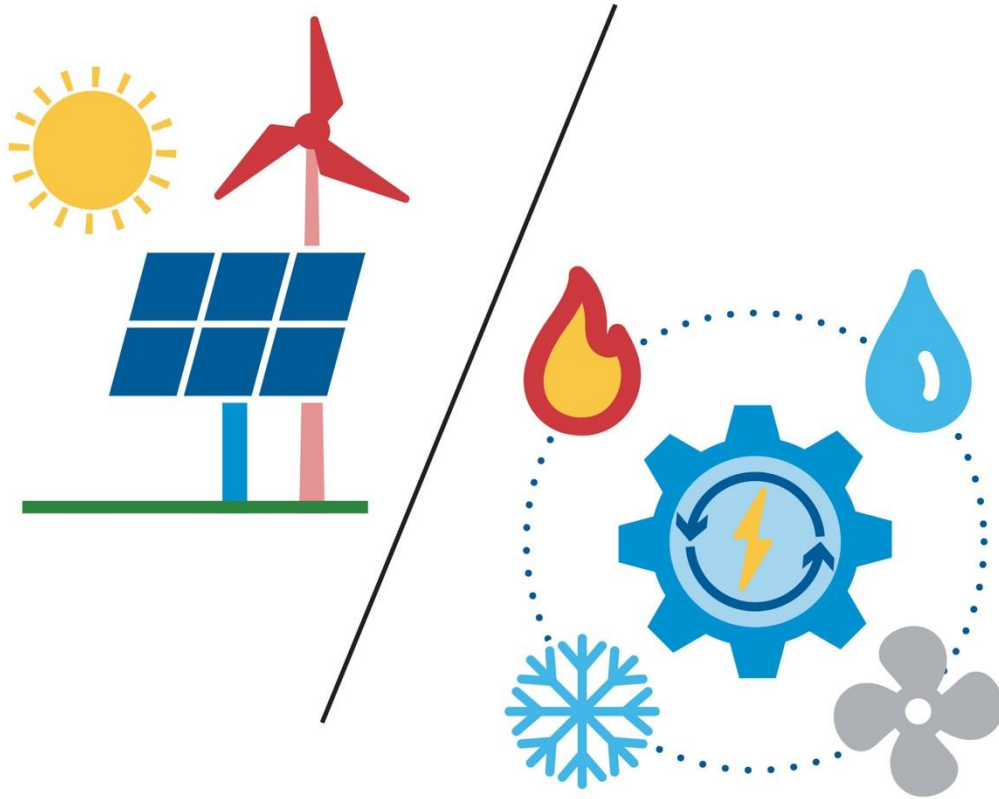| Renewable Energy and Energy Efficiency	Electric Vehicles and EV Charging Infrastructure	Green Infrastructure

Applicants must choose only one Project Type category

Renewable Energy and Energy Efficiency

Investments may include installation of **onsite renewable energy** and **energy efficiency upgrades**, such as space heating and cooling with electric heat pumps, air sealing and insulation, lighting, heat pump water heaters, and induction cooktops.

Electric Vehicles and EV Charging Infrastructure
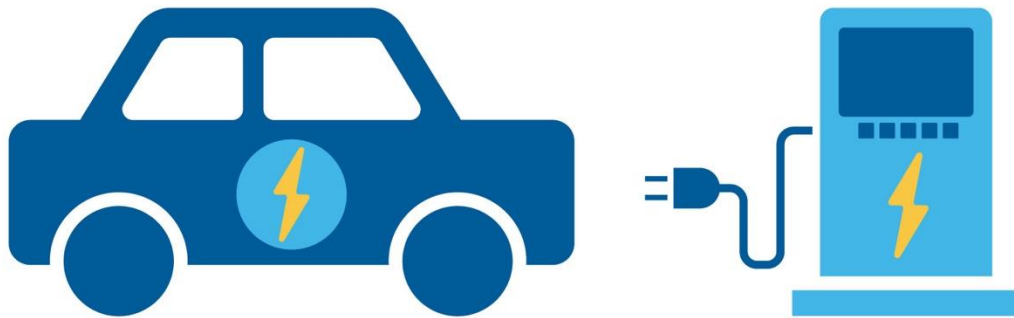
Approved projects will fund the purchase of **electric vehicle(s) or fleets** and may include the installation of **EV charging infrastructure**.

Green Infrastructure
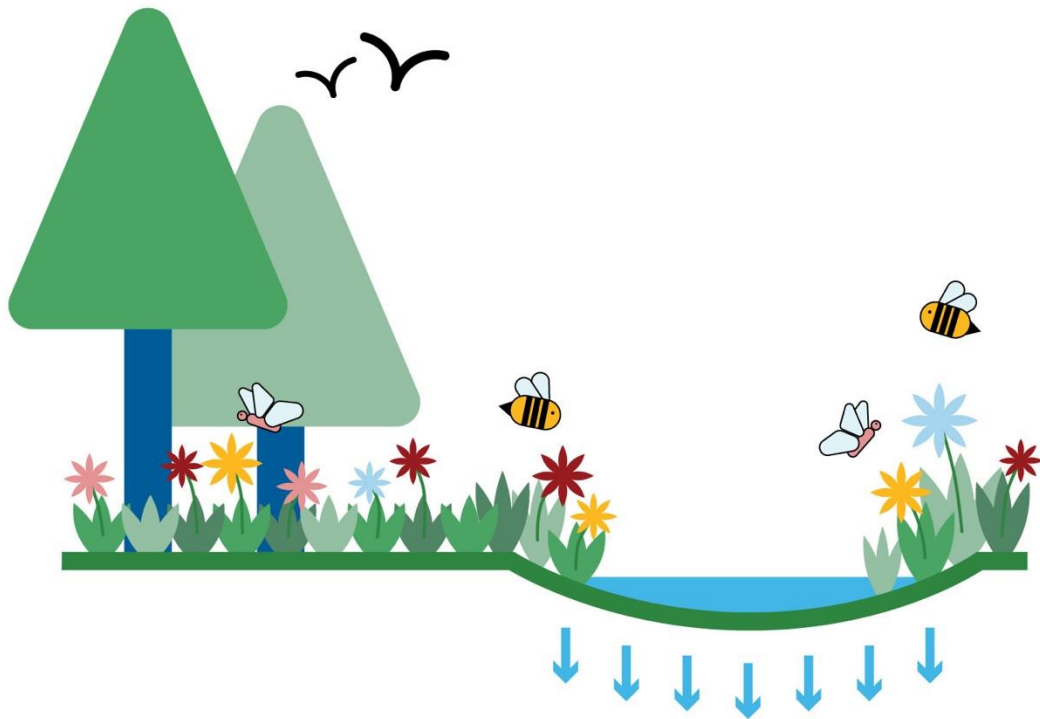
Green infrastructure (GI) collects stormwater from paved and unpaved surfaces to filter and absorb stormwater where it falls, reducing the amount of stormwater going into the sewer system.

Allowable expenses:

- Native plantings and soil systems

- Permeable pavement

- Stormwater management systems (rain gardens, swales, etc.)

- Green roofs

Types of projects:

- Comprehensive green infrastructure garden with multiple GI solutions; or

- Smaller scale property/site solutions

20

Program Priorities

Priority will be given to applications that incorporate these components:

Catalytic projects with a **strong local impact** that leverage local talents, capacities, and institutions **to strengthen and contribute to the community**

Projects located in **environmental justice communities**

Projects that demonstrate momentum and are **expected to break ground in 2024**

Site control is preferred

Application Tips
Things to keep in mind

1 Technology & Electrification

Energy projects that propose viable renewable energy installations and/or efficient electrification technologies such as heat pumps will be more competitive than a similarly-sized project that focus solely on traditional energy efficiency.

EV projects that propose replacement of existing vehicles and charging stations (especially Level 3 / DC Fast Charging) will score better than those that propose only an EV purchase.

2 Comprehensive solutions to increase impact

Projects that combine multiple strategies within a given Project Type will be more competitive than those that focus on only one strategy.

A project that combines multiple energy efficiency strategies (e.g. Air sealing/insulation + HVAC + lighting) would be scored higher than one that includes only one such strategy.

3 Prioritize public access to improvements

Projects that allow the public to benefit from investments will be prioritized.

A project that proposes EV charging stations that provide access to the public will be scored higher than one that proposes private-only charging stations.

4 Maintenance & Operations

Demonstrating a full understanding of long-term maintenance and operations implications is crucial.

All applications should address each prompt, even if the mechanisms for said activities already exist within the organization or business.

Evaluation Criteria

Climate Criteria

Applicant must prove that their project will deliver meaningful GHG reductions and other environmental benefits; and/or adapt an area or community to changing climate conditions; and/or build local resiliency to climate shocks and stressors.

Equity Criteria

Applicant must prove that their project reduces systemic climate and environmental inequities for BIPOC and disenfranchised communities via direct and/or indirect impact.

Project Feasibility/Project Readiness Criteria

Applicant must prove the ability to successfully implement the project within a two-year timeframe and the ability to adequately staff and maintain said project over time.

Equitable Transit Oriented Development Overview

Equitable Transit Oriented Development (ETOD) Program Overview

- Grants up to $250k and technical assistance

- ETOD projects are community-led projects that serve disinvested communities near high-frequency transit hubs.

- ETOD projects will create dense, walkable development

ETOD Eligibility

Projects Should:

✓ Align with goals of ETOD program

✓ Project sites must be within half mile of a high frequency transit hub

- CTA or Metra rail
- CTA or PACE bus

✓ Be affordable housing, mixed-use, or small-business proposals

Projects can be:

✓ Commercial

✓ Retail

✓ Mixed Use

✓ Arts and Culture

✓ Residential

   ✓ (Percentage of the units in residential development must comply with federal affordable housing standards)

ETOD Finalists

Little Angels Learning Center

An educational home and safe haven serving children and families; will partner with other community-based service programs.

ETOD Finalists

Food Matters

Food-centric real estate development in Chicago's Bronzeville community; addresses community-identified needs for healthier food options and nutrition education.

ETOD Finalists

272 N California LLC

Owner occupied arts marketing agency and Studio inHaus; a 3D architectural rendering & animation studio.

Application Tips
Things to keep in mind

1 Values

- Project description should be clear and concise

- Application should explain how the project aligns with the mission, vision and values of ETOD policy.

- Include letters of community support; demonstrate community engagement

2 Feasibility

Projects are more competitive when:

- the necessary portion of their overall financing has been secured and permits have been issued

- Include a detailed business plan and leadership team summary

- Applicant can demonstrate a proven track record of completed projects

3 Readiness

Chicago Recovery Plan grants prioritize projects that are likely to break ground in 2024. Projects can demonstrate readiness by providing:

- Detailed project budget and timeline

- Construction and design documents

- Site control documentation

- Working with a self-certified architect

4 Residential

Residential projects applying for ETOD funding will need to have a percentage of housing that is compliant with Federal (HUD) affordable housing (income limited / income restricted) standards.

Application Process

Application Tip 1: Project Readiness

Successful applications must show sufficient planning to demonstrate feasibility and the applicant's readiness to begin as soon as possible

GUIDING PRINCIPLES:

- **Site Control:** Does the applicant have site control? If not, is the applicant able to demonstrate a secured path to site control?
- **Plan for Construction:** Does the applicant provide a knowledgeable plan for how and when the project will begin and end?
- **Itemized Costs (Budget):** Has the applicant worked with an architect and/or General Contractor to develop a project budget with hard and soft costs fully itemized?
- **Applicant Equity (Funding Capacity):** Has the applicant secured any of the additional funds necessary to complete the project? If not, can the applicant demonstrate capacity to do so?

Application Tip 2: Community Engagement

Successful applications show knowledge of the neighborhood's unique needs and priorities and responds to the community's interests

GUIDING PRINCIPLES:

- **Community Plans:** Has the applicant reviewed the published community plans for the area to know the goals of the neighborhood?
- **Community Engagement:** Does the applicant demonstrate engagement with the community through business or personal experience? Is the proposed project supported by local residents or community organizations?
- **Corridor Conditions:** Does the applicant show an awareness of the existing services/amenities in the area? Does the applicant know about new business projects nearby, or how the applicant's proposed project will affect the corridor?

Application Tip 3: Design Impact

Project design is not only critical to the success of the business but also makes a statement regarding the community it serves.

Successful applicants have thought carefully about the design of their project and will engage a design professional when appropriate.

GUIDING PRINCIPLES:

- **Equity & Inclusion:** Achieving fair treatment, targeted support, and prosperity for all residents

- **Innovation:** Implementing creative approaches to design and problem-solving

- **Sense of Place:** Celebrating and strengthening the culture of our communities

- **Sustainability:** Committing to environmental, cultural, and financial longevity

- **Communication:** Fostering design appreciation and responding to community needs

Application: Site Control

Accepted forms of site control include:

- **Lease** for the project location in the Applicant's name <u>and</u> documentation of explicit approval from property owner for long term use (i.e. <u>letter of consent</u> from the property owner).

- **Deed** for the project location in the Applicant's name.

- **Real Estate Contract** for the project location in the Applicant's name.

- **Letter of Intent** to purchase or lease the project location, <u>signed by the Applicant and the current property owner.</u>

Application: Itemized Costs

	A	B	C	D
1	Cost Category	Amount (US Dollar)	Additional Notes	Supported with contractor bid/estimate? (Answer "Yes" or "No")
2	Design/Architecture Fees	n/a	All design and architectural fees have already been paid	n/a
3	Permitting Fees	n/a	▓▓▓▓▓▓ already has its permit	n/a
4	Demolition/Site Preparation	n/a	The site has already been demo'd and environmentally remediated	n/a
5	Roofing	9000	New roof already installed, fascia and soffit still needs to be replaced	yes
6	Walls	30150	-	yes
7	Floors	9750	-	yes
8	Windows	700	The space has all new windows, the basement is in need of glass block windows	yes
9	Doors	8000	Fire-rated doors in basement and offices	yes
10	Masonary	750	Foundational work for basement	yes

A detailed, comprehensive, budget with itemized costs demonstrates project planning and feasibility

	A	B	C	D
1	Cost category	Dollar Amount	Addtl Notes	Supported with contractor bid/estimate? (Answer "Yes" or "No")
2	Design/Architecture Fees	6000	i have esteemed verbal estimates from contractors	no
3	Permitting Fees	5500		no
4	Demolition/Site Preparation	15000		no
5	Roofing	20000		no
6	Walls	30000		no
7	Floors	30000		no
8	Windows			
9	Doors			
10	Masonry	10000		no

Plans and Construction Documents
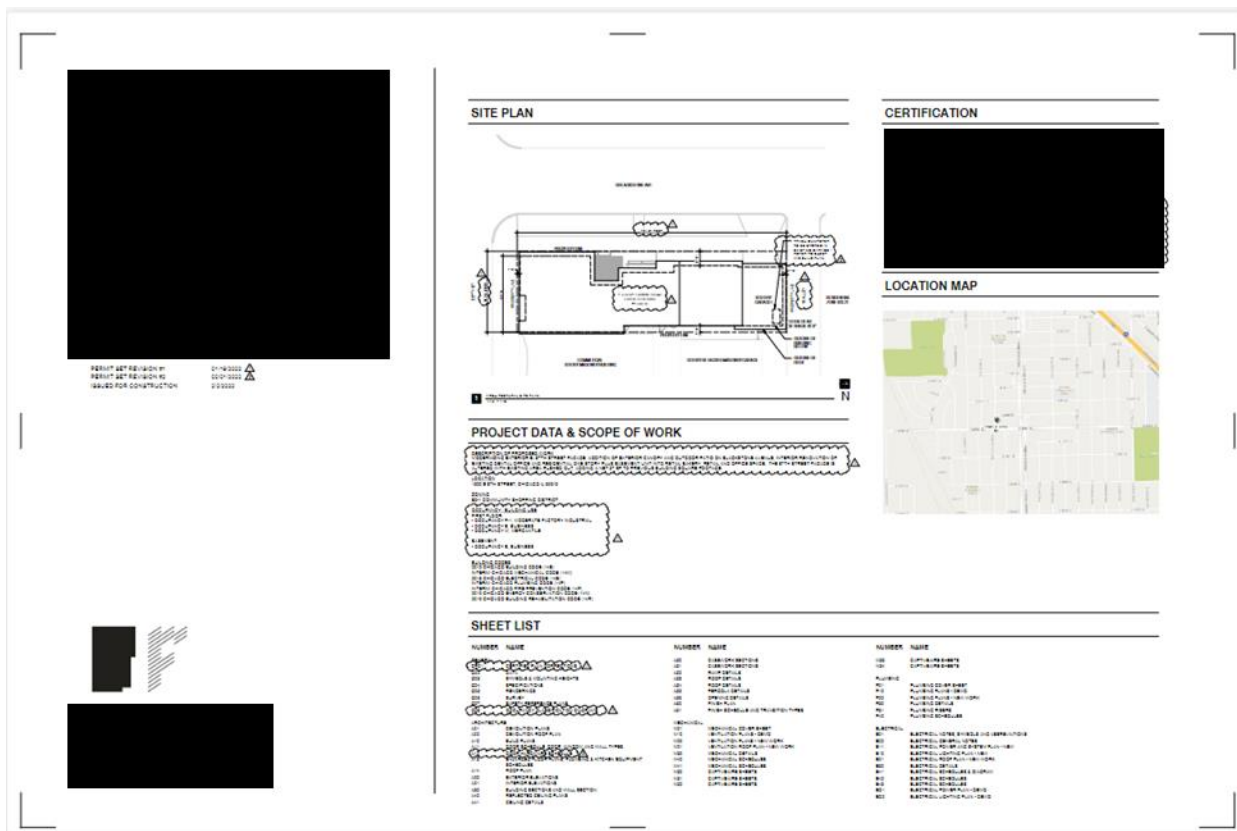
Providing designs and construction documents to support site plans can demonstrate project readiness

6.7 - Documentation that supports your construction plan (optional).

n/a

6.8 - Additional Documents (optional)

n/a

Financing

	A	B	C	D
1	Funding Type	Dollar Amount	Additional Notes (Optional)	Are funds secured or anticipated? (Answer "Secured" or "Anticipated")
2	Business Checking/Savings:	279829	injected equity	secured
3	Personal Checking/Savings:	n/a	n/a	n/a
4	Loans from Financial Insitutions:	105000	Wintrust Loan (mortgage)	secured
5	Loans from Individuals:	500000	n/a	secured
6	Securities (Stocks and Bonds):	n/a	n/a	n/a
7	Gifts from Private Individuals:	n/a	n/a	n/a
8	Gifts/Grants from Institutions (Federal, State, Non-Profit):	675000	Chicago Community Trust, Builder's Initiative	secured
9	Gifts/Grants from the City of Chicago:	250000	Neighborhood Opportunity Fund	secured
10	Crowd-Funding:	n/a	n/a	n/a

Detailing secured project financing can demonstrate feasibility of the project

	A	B	C	D
1	Funding Type	Dollar amount	Addtl Notes (optional)	Are funds secured or anticipated? (Answer "Secured" or "Anticipated")
2	Business Checking/Savings:	10000		
3	Personal Checking/Savings:	20000		
4	Loans from Financial Insitutions:			
5	Loans from Individuals:			
6	Securities (Stocks and Bonds):	50000		
7	Gifts from Private Individuals:			
8	Gifts/Grants from Institutions outside of NOF:			
9	Crowd-Funding:			
10	Other Funding Sources:			

Questions?

Next Steps

- Thank you for attending. We look forward to reviewing your project applications!

- View the webinar and see the frequently asked questions at: Chicago.gov/DPDRecoveryPlan

- For any additional questions, please email DPD@cityofchicago.org