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Higher Funding Cap Proposed for NOF New Construction Grants

Neighborhood Opportunity Fund (NOF) improvements proposed to City Council today by Mayor Lori E. Lightfoot would increase grant funding for new construction projects up to 50 percent of a project's total cost, enabling more capital for individual community improvements along South and West side commercial corridors.

The increase, up from the previous 30 percent funding cap, would address the needs of business owners and entrepreneurs for additional capital as they pursue infill development projects on vacant commercial sites, according to Department of Planning and Development Commissioner Maurice Cox.

"The improvement means that a \$100,000 new construction project would be eligible for \$50,000 in grant funding versus \$30,000. Likewise, a \$500,000 project would be eligible for \$250,000," Cox said. "The increased access to capital reduces an owner's need for other funding sources and makes new projects more viable where they're needed most."

The increase would also make it possible for a new construction project's total cost to be 100 percent funded through the NOF program, with the remaining 50 percent of costs being eligible for funding based on the local residency of the business owner and his or her employees.

Rehabilitation projects involving existing buildings are already eligible for grants paying up to 50 percent of total project costs, as well the 50 percent funding based on local residency.

The increase to 50 percent is only eligible for projects receiving grants up to \$250,000. New construction projects seeking grants exceeding \$250,000 are subject to additional rules and guidelines.



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In a related Neighborhood Opportunity Fund proposal submitted to Council today, an additional \$12 million would be allocated for future grants in anticipation of the next NOF application periods opening on Monday, January 20, and in July 2020.

The total funding allocated to the three-year-old NOF program to date is \$23 million. Funds are generated by zoning-related revenues from downtown construction projects.

In addition to supporting underserved commercial corridors, the City will leverage the NOF program to support projects as part of the INVEST South/West initiative, announced earlier this year by Mayor Lightfoot to catalyze investments in 12 targeted areas.

More information about the program is available at www.neighborhoodopportunityfund.com.

TIF Proposed for New Park Fieldhouse in Bronzeville

Three million dollars in Tax Increment Financing (TIF) would partially reimburse the Chicago Park District for the new fieldhouse at Williams Park in Bronzeville, under a proposal introduced today to City Council by Lori E. Lightfoot.

Completed last year, the \$9.5 million building at 2820 S. State St. features a reception area, gymnasium and multi-purpose rooms for performances, art, education, exercise classes and community meetings. Exterior amenities include a spray pool, bike racks, landscaping, exterior lighting, sidewalks, and benches.

The balance of the 11,200-square-foot project was financed by the Park District and the Chicago Housing Authority, which maintains its Dearborn Park housing complex adjacent to the site.

The 6.7-acre park is named for Dr. Daniel Hale Williams, a renowned African-American surgeon who founded Provident Hospital, the first African-American owned and operated hospital in the United States.

Property Tax Incentive Would Support South Loop Hotel Conversion

The \$44.6 million redevelopment of the former Cadillac Motor Car Service Building on the Near South Side would be supported by a property tax incentive introduced today to City Council by Mayor Lori E. Lightfoot.



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McCormick Hospitality LLC would use the Class L incentive to support the conversion of the vacant six-story industrial-style building at 2300 S. Indiana Ave. into a 220-room boutique hotel. Interior work would include room build-outs, a new lobby and elevators, new building systems, ground-floor retail space, and a lightwell. Exterior work would include facade repairs, new entrances, new windows and storefronts, and the installation of a green roof.

Located in the historic Motor Row District, the former warehouse for the Cadillac motor company is the last remaining industrial building designed by influential industrial architect Albert Kahn in Chicago. It originally opened in 1919 utilizing Kahn's pioneering approach to reinforced concrete construction.

The Class L incentive lowers the tax rate on designated landmarks or a contributing building in a landmark district undergoing significant rehabilitation. The incentive would reduce property taxes on the building by \$4.6 million over the next 12 years.

An estimated 150 construction and 60 permanent jobs would be created as a result of the project.

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