O2019-1656 Increase in funding for Group I Neighborhood Opportunity Fund Mayor Rahm Emanuel Budget and Government Operations

Intro Date: March 13, 2019

Headline: Increase allowable spending for group I grants of the neighborhood opportunity fund.

Background: The original allocation for Group I grants was \$12.5 million. The Neighborhood Opportunity Fund (NOF) is funded by voluntary payments from developers in Chicago's central business district. In exchange for the payments, the developers receive increases in the maximum allowable Floor-Area-Ratio (FAR) of their projects. The Fund is used to provide rebates to businesses in targeted areas of the South and West Sides who invest in improving their properties. Group I grants are for projects of \$250,000 or less, and do not require City Council approval. Group II grants are for projects larger than \$250,000, and require City Council approval.

Summary: This ordinance increases the allocation of Group I grants of the Neighborhood Opportunity Fund to \$21 million from \$12.5 million. Group I grants are those grants from the program that are \$250,000 or less and do not require specific city council approval. Grants in excess of \$250,000 are still required to receive city council approval.

Immediate Fiscal Impact: Increase of up to \$8.5million in NOF spending.

Long-Term Fiscal Impact: None identified

Co-sponsors:

Additional Considerations: