



Memorandum

To: Honorable Mayor and Members of the City Council
 From: Kelley Gandurski, Interim City Manger
 CC: Paul Zalmezak, Economic Development Manager; Sarah Flax, Housing and Grants Manager
 Subject: Continued Discussion of ARPA Funds and Potential for Allocation
 Date: December 6, 2021

Recommended Action:

This memo provides updates on potential uses of the American Rescue Plan Act (ARPA) funding in the categories defined in the staff memo from the November 1, 2021, City Council meeting. Staff recommends that members of City Council review and discuss these proposed uses, and (1) provide direction to staff on whether to pursue the development of specific funding recommendations for consideration and (2) whether any such recommendations should be reviewed first by the recommended BCCs responsible for making policy and funding recommendations to City Council for similar projects/programs.

Funding Source:

American Rescue Plan Act, 170.99.1700.55251

Council Action:

For Discussion

Summary:

The chart below shows the categories and proposed funding amounts from the November 1 City Council memo. Updated information on projects and programs in each category is outlined below.

Updated ARPA Categories and Funding		
Category / Project	Funding	Status
1. COVID-19 Response Funding	-\$575,000	<i>City Council approved 11.1.2021</i>

2. ARPA Grant Management, Compliance & Reporting	-\$900,000	<i>City Council approved 11.8.2021</i>
3. Revenue Loss Funding	\$12,500,000	
2021 Equipment Replacement Spending (91-R-21)	-\$850,000	<i>Approved by City Council</i>
2022 Equipment Replacement Spending	-\$1,600,000	<i>Approved in 2022 Budget</i>
2021 Parking Fund Projects (77-R-21)	-\$950,000	<i>Approved by City Council</i>
2022 Parking Fund projects and operations	-\$2,300,000	<i>Approved in 2022 Budget</i>
2022 General Fund Operations	-\$4,250,000	<i>Approved in 2022 Budget</i>
<i>Revenue Loss Funding Balance</i>	<i>\$2,550,000</i>	
4. Hazard/Premium Pay for City Workers	\$500,000	
5. Economic Development	\$7,000,000	
<i>Workforce Development</i> <ul style="list-style-type: none"> • <i>Childcare, Healthcare, Construction Career Pathways</i> • <i>City-sponsored Job Training Program Development</i> 		<i>City Council has asked to hold until plan is further developed</i>
<i>Business district improvement strategies and implementation plan</i> <ul style="list-style-type: none"> • <i>Orrington and Chicago Ave Streetscape</i> • <i>Business District Plan</i> • <i>Business District Ambassador</i> • <i>Outdoor Dining Infrastructure</i> • <i>Placemaking</i> 		<i>City Council has asked to hold until plan is further developed</i>
<i>Direct Support</i> <ul style="list-style-type: none"> • <i>The Aux</i> • <i>Northlight</i> 		<i>City Council referred a \$1M Aux request for ARPA back to Economic Development Committee for further discussion on 12.1.2021</i>

		<i>Northlight Theater holding until ARPA plan is further developed. Seeking \$2M</i>
<i>Economic Development Funding Balance</i>	<i>\$7,000,000</i>	
6. Social Services	\$4,000,000	
<i>Guaranteed Income Resolution 79-R-21</i>	<i>-\$700,000</i>	
<i>Mental Health-Living Room</i>		
<i>Childcare</i>		
<i>Latinx Welcome Center</i>		
<i>Gibbs-Morrison Facilities Upgrade for Youth Outreach Center</i>		
<i>Social Services Balance</i>	<i>\$3,300,000</i>	
7. Affordable Housing (CARP)	\$4,000,000	
<i>LIHTC Projects - new affordable units</i>		
<i>Housing Retrofit One-Stop Shop</i>		
<i>Small Landlord Program</i>		
<i>Homeless shelter</i>		
<i>Affordable Housing Balance</i>	<i>\$4,000,000</i>	
8. Water and Sewer Infrastructure (CARP)	\$6,000,000	
<i>Resolution 77-R-21</i>	<i>-\$3,000,000</i>	
<i>Water and Sewer Infrastructure Balance</i>	<i>\$3,000,000</i>	
9. Inclusive & Equitable Recovery (CARP)	\$4,000,000	
<i>Hill & CEBA Business Districts (8092)</i>		
<i>LIHTC Projects - new affordable units (8092)</i>		
<i>Small Landlord Program (8092 & 8102)</i>		

<i>Housing Retrofit One-Stop Shop (8082 & 8102)</i>		
<i>Family Focus Building-social services hub (8092)</i>		
<i>Inclusive & Equitable Recovery Balance</i>		\$4,000,000
10. Participatory Budgeting		\$2,500,000
11. Hold		\$1,198,654
TOTAL ARPA RECEIVED		\$43,173,654
TOTAL COMMITTED		-\$15,125,000
REMAINING BALANCE		\$28,048,654

REVENUE LOSS FUNDING

With the approval of the 2022 Budget, staff has updated the allocations made out of the Revenue Loss funding category. Obligated funding has been approved either in resolutions for 2021 spending, or as part of the 2022 Budget which was adopted on November 22, 2021.

Of the \$4.25 million shown as a transfer for General Fund operations, \$1.1 million is for one-time expenses. These are \$500,000 for comprehensive and strategic plans and \$600,000 for permitting software improvements. The remainder is to fund ongoing expenses, including \$951,000 in new staff positions that were added in the 2022 budget. The transfer will not be made until year-end, when the actual costs of these expenses and deficit in the General Fund can be determined. If General Fund revenues are higher than budgeted in 2022, the full amount for the General Fund may not be transferred.

2021 Equipment Replacement Spending (91-R-21)	\$850,000
2022 Equipment Replacement Spending	\$1,600,000
2021 Parking Fund Projects (77-R-21)	\$950,000
2022 Parking Fund projects and operations	\$2,300,000
2022 General Fund Operations	\$4,250,000
Revenue Loss Funding Obligated	\$9,950,000
Total Revenue Loss Funding Submitted to Treasury	\$12,500,000
Remaining	\$2,550,000

HAZARD/PREMIUM PAY FOR CITY EMPLOYEES

Staff reviewed the guidelines for premium/hazard pay in the Local Fiscal Recovery Funds (LFRF) Final Interim Rule and consulted with department heads regarding the eligibility of employees for premium/hazard pay. The following proposal is provided for consideration by the City Council:

174 positions, a combination of full-time, part-time, and seasonal, met the eligibility criteria as:

- Essential workers in childcare, human and social services, public health and safety, janitors, and sanitation
- Frontline in-person jobs (telework is disallowed) that involved regular interaction with members of the public, or handled items that were also handled by members of the public
- Positions are primarily in Parks and Recreation, Health and Human Services, and Library Departments
- Premium/hazard pay would not increase their total annual compensation above 150% of the Cook County median wage for all occupations as determined by the U.S. Bureau of Labor Statistics

Premium pay under this eligible use is to respond to workers performing essential work when it addresses the heightened risk to workers who must be physically present at a job site and are low- or moderate-income. Premium/hazard pay is designed to help address the disparity between the critical services provided and risks taken by these essential workers for their relatively low compensation. It should be noted that ARPA premium/hazard pay is not designed to reward all employees who took on additional challenges or risks. It should be acknowledged that many City employees worked tirelessly during this period of uncertainty and pandemic but while their efforts are noteworthy and deserve recognition, they do not qualify for financial compensation based on the goals and description provided by the U.S. Treasury.

Staff requests guidance from City Council relating to consideration of hazard pay and implementation of the above proposal.

ECONOMIC DEVELOPMENT

Based on discussion and input from the City's Economic Development Committee, subsequent City Council meetings, and input at stakeholder community meetings, the following priorities for ARPA funding for economic development were identified:

- Workforce development
- Business district strategies and implementation plan

The Economic Development Committee met December 1, 2021 and provided staff direction to finalize a 2022-2024 Economic Development Work Plan to present to the Committee on January 26, 2022 followed by City Council consideration in February 2022.

Workforce Development Planning:

A newly created position, Workforce Development Coordinator, not funded by ARPA, was added to be responsible for the following:

- Working with HR and City departments to identify entry-level positions with career paths for Evanston residents (Water/Sewer, Forestry, and other Public Works trades)
- Developing career pathways working with local employers and industries including:
 - Healthcare
 - Construction
 - Early Childhood Education
- Identifying and coordinating resources among existing workforce partners (WorkNet, Apprenticeship opportunities, Oakton Community College, and other regional agencies)

- The coordinator will develop a strategy based on the coordination efforts and identify opportunities to leverage other workforce funding. A follow-up request for ARPA funding to implement the workforce development strategy will be presented at a later date.

Evanston Business District Improvements

Evanston's comparative advantage to other suburban communities in the region is its resident highly educated and diverse labor force talent, public transportation access to knowledge base workers throughout the region (especially Chicago's north side), Lake Michigan, and Northwestern University. Our built environment, mostly of the pre-war era, is denser than other suburbs. Residential neighborhoods developed around transit stations, and along with the rooftops came commercial businesses and the resulting unique business districts. Over time, the quality of life and quality of place along with Northwestern University growth in stature resulted in increased corporate headquarters and downtown business district that serves approximately 30,000 people on a daily basis.

While Evanston has reinvented itself numerous times over its nearly 170 years, our current challenges will require a level of leadership and intervention perhaps not experienced before. The convergence of the pandemic, the underlying inequities it highlighted nation wide, and the still increasing impact of e-commerce with the rise of fast-fashion retail has forever changed how our business districts will look and act. The challenges facing Evanston business districts are caused by the same dynamics facing business districts nationwide.

Retailers operate with fewer locations located at premium highway interchanges (e.g. Old Orchard). Smaller independent retailers either cannot afford high rents of business districts (including property taxes) or find it easier to operate on Etsy or Ebay. Dumpsters are overflowing with Amazon delivery boxes. Office workers have not returned as technology has allowed them to work remotely. The rise of variants have office workers concerned. And some have become accustomed to the convenience of working remotely. Not as fortunate or privileged service workers, especially in the food industry, have left their jobs seeking new opportunities, resulting in labor shortages. And finally, consumers are reluctant to return to shop inside or dine inside at levels seen prior to the pandemic. Masking policies are often confusing, and some are not willing to risk exposure.

Evanston merchant district infrastructure is showing its age. Many sidewalks are not up to current ADA standards. CTA and Metra stations and bridges show wear from years of deferred maintenance. Streetscape and signage (e.g. trees, landscaping cans, benches, street signs, district markers, etc.) lack a consistent design standard and add to visual clutter. Business district management varies from location to location, despite the City being only seven square miles in size. That's not to say it's all bad. Evanston reinvented Fountain Square creating a beautiful urban central park of sorts that still hasn't reached its full potential. The farmers market is a beloved institution. And there are a number of home-grown art and music events that attract visitors from beyond our borders.

Staff is recommending we take this opportunity to evaluate our business districts, Howard to Central and in between, to determine how we best allocate limited financial and staffing resources to make the biggest impact as we transition into what will hopefully soon be a post-pandemic era. To achieve this, we will need to deploy city staff in new ways, work with our Special Service Area directors, the Chamber of Commerce, merchant associations, community

members, and of course the business community. This reevaluation was necessary with the growth of e-commerce. Its importance is only magnified and its need is expedited by the impacts of the pandemic.

ARPA is one financial tool we can use to leverage business district improvements. As summarized in a recent Brookings Institute report:

"To fully support small business recovery, though, municipal leaders should look beyond supporting businesses individually and consider holistic strategies that support local business district recovery. Such place-based investments can help restore foot traffic through physical improvements, district-based marketing, and special events, as well as leverage economies of scale to support business owners en masse in finding needed sources of capital and technical services to stabilize or grow their business. District-scale interventions are also key to making the most from the surge of "covidpreneurs," providing vital sources of support to these new business owners and quickly filling pandemic-induced vacancies. Source: Brookings.edu 7.12.2021

<https://www.brookings.edu/blog/the-avenue/2021/07/12/the-american-rescue-plan-can-be-a-lifeline-for-business-districts/>

Staff is recommending the following immediate "interventions", informed with an intentional community engagement (resident and business owners) process, that improve community member, employee, and visitor experiences in Evanston, all based in the basic philosophy of clean, green, and safe:

1. Issue a Request for Proposal (RFP) for Business District Strategy and Implementation Plan
2. Seek services of a business district maintenance and ambassador program
3. Identify opportunities to improve streetscape for additional outdoor dining, music, and retail markets
4. Create and implement a city-wide placemaking plan

1. Business District Improvement Strategy and Implementation Plan

Staff is recommending issuing a Request for Proposals for consulting services for a business district strategy and implementation plan. The RFP is designed to identify strategies to improve our districts in the context of a rapidly changing retail environment, changing consumer behavior, and the shift to experienced-based activities. The study will be qualitative in nature. The intent of the study is not to simply provide demographic and consumer expenditure data, but to apply the quantitative data, and lessons learned from a community engagement process to ultimately implement a strategy that could very likely change the way our business districts look and function.

The study and implementation plan will provide guidance for business district recovery from the impacts of the pandemic. Key features of the final study will include the following actionable recommendations for each of Evanston's business districts:

- Placemaking Strategies
- Retail, Service, Office, and Residential Uses
- Recommended Square Footage / Spaces for given uses
- Streetscape Improvements (lighting, benches, cans, etc)
- Mobility Strategies (sidewalks, streets, bikes, ADA, etc.)

- Wayfinding / District Identity
- Aesthetics including design standards for public infrastructure
- Cleanliness and Landscape Infrastructure
- Safety Strategies

Findings of this report will guide further ARPA, TIF, and CIP investment recommendations including potential business district ambassador programs, downtown Evanston streetscape improvements to widen sidewalks, infrastructure to support outdoor dining and outdoor markets, tree grate power sources for tree lights at Church and Dodge, creation of pocket parks/plazas/cafes, and other means of reinventing our merchant districts to compete in an e-commerce / COVID impacted environment.

2. Business District Ambassador Program

Evanston's business districts are beginning to show wear resulting from a number of factors including aging infrastructure, deferred maintenance, and the COVID-19 pandemic. The ambassador program will have a strong focus on cleaning and beautification and will be designed to build relationships with merchants, residents, and visitors by assisting with directions, logging 311 concerns, providing cleaning and landscaping services in addition to connecting people with social service needs with Evanston social service providers including Trilogy's mental health crisis services. City staff will issue an RFP for business district cleaning and ambassador services. Respondents may be comprehensive service providers or may build teams providing individual services.

3. Streetscape Infrastructure Improvements

Streetscape implementation will be partially informed by the Business District Implementation Plan. Staff has identified one example already considered by the City Council - the Orrington Avenue and Chicago Avenue Streetscape Improvement Project to Expand Outdoor Commerce. An investment of \$440,000 of city funding (ARPA or other) would leverage a \$1.8 million grant from the State of Illinois Rebuild Downtowns & Main Streets Capital Grant. The project scope includes bringing all pedestrian areas in compliance with ADA standards, improving landscaping and tree installations, redesigning the existing planters, replacing lighting, and upgrading streetscape elements consistent with other corridor improvement projects. The grant application directly addresses some of the concerns raised by local businesses and addresses some of the placemaking opportunities discussed in earlier Economic Development Committee meetings.

Similar projects could be identified either directly by staff or through the Business District Improvement Study in every Evanston district with the possibility of leveraging TIF, CIP, state grants or other sources with ARPA.

Other means of assisting business recovery in our districts include a staff recommendation to commit funding to the City's Storefront Modernization Grant Program to support COVID-19-related operational costs incurred by restaurants and retail establishments to provide a safe environment for customers and staff. The expanded program would fund outdoor dining infrastructure improvements that extend the length of the outdoor dining season, interior ventilation improvements, and other operational costs that result in a safer business environment. This amendment would assist eligible small businesses to make needed improvements to help them survive the economic impacts posed by winter weather and the

ongoing pandemic. Eligible Improvements would include enclosures, canopies, heating equipment, outdoor lighting fixtures, outdoor furniture, HVAC, and plumbing.

4. Placemaking Plan

Staff suggests the City has a responsibility to help with business district “placemaking” infrastructure to help create the framework for small independent businesses to thrive in a highly competitive e-commerce and national-chain driven economy. Placemaking planning will help define what the improved business district infrastructure looks like. But it is deeper than that. What is “placemaking”?

The Metropolitan Planning Council of Chicago describes “placemaking” this way:

“it is a process that fosters the creation of vital public destinations—the kind of places where people feel a strong stake in their communities and commitment to making things better - it is not just the act of building or fixing up a space; ”

The American Planning Association takes it a step further:

“...placemaking is a process where community members, artists, arts and culture organizations, community developers, and other stakeholders use arts and cultural strategies to implement community-led change. This approach aims to increase vibrancy, improve economic conditions, and build capacity among residents to take ownership of their communities.”

Placemaking is a community driven strategy and requires an intentional outreach strategy. City of Evanston planning and economic development staff are educated, trained, and experienced urban planners. Evanston is served by active and educated community members. Long time residents and new freshmen on Northwestern University’s campus call Evanston home. Approximately 25,000 professional class of business founders and employees call Evanston home during business hours. All have a say in how they experience Evanston and what physical qualities it has to help the community thrive.

Evanston's artist community is robust. Engagement with Evanston's robust artist community will be the first step. Simple examples of placemaking include outdoor movies, music, interactive streetscapes. Ultimately, placemaking reflects the City's identity and what makes us a unique destination and gives visitors a reason to visit, and return. It also builds community pride.

Direct Assistance

Members of the City Council have not expressed support for direct assistance to businesses, favoring instead exploring ways to plan for initiatives that will improve the business climate. However, there are two requests for funding yet to be fully considered by the City Council:

The Aux

The Growing Season, a Chicago-based non-profit, is seeking City Council approval of a \$1 million contribution to assist in the cost of renovating 2223 Washington to serve as the home of The Aux - a hub dedicated to community wellness and racial equity. The Growing Season

predicts The Aux will generate a number of economic benefits resulting from the City's investment including increased property tax, creation of ten Black-owned businesses, supportive inclusive pipeline/incubator, 30 new permanent jobs, inclusive entrepreneurship, and community wealth building. On December 1, 2021, the Economic Development Committee, voted to hold the item pending adoption of the ARPA plan and evaluation process.

Northlight Theatre

Northlight Theater will present its request for ARPA funding totaling \$2 million at a future meeting of the City Council. Northlight has acquired property at 1012 Church for its planned relocation to downtown Evanston. They are fundraising for the estimated \$25 million performing arts center. In recent presentations to the community, Northlight Theater has predicted 64 permanent full-time jobs, \$55 million in new visitor spending at Evanston businesses in addition to \$400,000 in new sales tax revenue.

SOCIAL SERVICES

The pandemic has increased the need for a variety of services that are eligible for ARPA funding to assist populations experiencing health or economic harm from the pandemic. Since ARPA is one-time funding, capital needs to expand service delivery capacity, and types of services needed that are currently unavailable should be prioritized. At the same time, sources of ongoing support must be identified to sustain the new or expanded services. President Biden's Build Back Better bill that was approved by the House of Representatives in November is expected to be voted on by the Senate in the weeks ahead. It includes significant funding for mental health services and childcare. Whether these dollars may be leveraged to address City of Evanston's needs should be taken into account when developing budgets for projects and programs using City ARPA funds to make the most effective use of locally-controlled funding and minimize duplication of services.

Two areas, Mental Health, and Child Care have been prioritized to address the immediate and long-term health and economic impacts of COVID-19. A third, development of a Latinx Community Center, has been added based on input from the Latinx community at roundtable discussions on June 29 and, October 28, 2021, and to address inequities in service delivery.

Mental Health - Living Room

Evanston lacks community-based mental health services that offer people experiencing a mental health crisis an alternative to calling 911 or seeking hospitalization. Emergency rooms often have long wait times and patients' symptoms can be exacerbated by what is often a loud and unwelcoming environment. Living Rooms provide a safe space for people in a crisis where they can talk to someone who understands what they are going through. Studies show that people who visit Living Rooms have better outcomes than those who visit emergency rooms. Living Rooms are also a cost-effective alternative to emergency rooms for providing immediate care for people with mental health crises. Living Rooms also provide a safe place to rest and relax, support from peer counselors with personal experience managing mental illness, counselors to teach de-escalation skills and how to develop safety plans, and referrals for housing, healthcare, food, and other necessities.

Several potential sites for the Living Room are being evaluated. Agencies participating in this planning include Amita Health and Erie Family Health Center as possible locations for the facility, and Josselyn Center and Turning Point as potential service providers. Based on a

preliminary cost estimate of \$100/sq ft plus air conditioning costs for build-out, the capital budget for a Living Room at Erie or Amita Health is expected to range from \$200,000 to \$350,000 at minimum. The capital budget will be refined and an operating budget will be developed.

According to a Chicago Tribune article, a new Austin Living Room is fully funded by a more than \$800,000 grant from the Illinois Department of Human Services Division of Mental Health, for which Renaissance, the service provider, applies annually for renewal funding for the center. This and other potential sources of ongoing operating support should be explored at the same time as the work to identify a site and develop a capital budget for its build-out.

Recommend that staff and partnering agencies develop a detailed plan for the Living Room site and explore sources of ongoing operating support that will be brought to the Social Services Committee for consideration before going to City Council.

Childcare

COVID-19 has taken an enormous toll on the childcare industry, as well as on the developmental needs of lower-income children, and their parents, particularly mothers who are unable to return to the workforce because they can't find affordable childcare. This has a disparate impact on Evanston's African-American/Black and Latinx families, who are disproportionately lower-income, and hampers their ability to recover from the financial impacts of COVID, as well as the City of Evanston's economic recovery. The Evanston Early Childhood Council, comprising 25 early childhood providers and early education centers, provided input on the impact of COVID-19 and the resulting needs of these critical service providers:

- Operating revenue losses from decreased enrollment, loss of State of IL Child Care Assistance Program (CCAP) funding, DCFS-mandated enrollment reductions to meet social distancing requirements, additional sanitizing/cleaning, etc.
- Deferred facilities maintenance due to expenditures on COVID-related needs such as air purifiers and PPE
- Staffing issues, including a lack of workers with either a Certificate or an Associate of Applied Science (A.S.S.) degree in Early Childhood Education (ECE); teachers with a B.A. in ECE are also in demand. Funding for staff training and professional development is needed to address staffing shortages, particularly since workers are generally low-income and unable to pay for tuition.
- Challenges meeting the mental and behavioral health needs of children in care, as well as providing occupational and physical therapy for children with disabilities.
- Scholarships for families unable to afford care for their children
- Equity/hazard pay for childcare workers who are front-line workers who provide essential services since the start of the pandemic and continue to be at high risk of COVID-19 infection due to working with children 0-5 who cannot be vaccinated.

The chart below shows the funding requested by EECC to address these needs:

Category	Funding Request
Operating support	\$500,000.00
Deferred maintenance/capital needs	\$300,000.00

Staff education & training	\$250,000.00
Mental & behavioral health services, and OT/PT services	\$125,000.00
Scholarships for families who are unable to afford care	\$100,000.00
Equity/hazard pay for ECE staff	\$500,000.00
Total Request:	\$1,775,000.00

Staff recommends working with the EECC to develop a more detailed plan to address the needs of existing childcare providers that will be brought to the Social Services Committee for consideration before going to City Council. Recommendations relating to Workforce Development and any direct assistance for childcare start-up businesses will be brought to the Economic Development Committee before going to City Council.

The City recently approved \$115,000 in CDBG-CV funding to the Childcare Network of Evanston to administer child care scholarships, and \$63,400 for its Learning Together program, which provides free mental health, speech-language, occupational, and other developmental therapeutic services to children 2-5 years old who are enrolled in 6 early childhood programs that serve primarily low/moderate-income residents. Children are referred by parents/guardians or center teachers; demographics of the children served in 2020 are 68% Black, 14% White, 8% Latinx, 5% Asian, and 8% multiracial; 86% of households were low/moderate-income and 59% were single-parent households. These allocations begin to address two of the line items that total \$225,000 of the EECC’s funding request.

Childcare needs are multi-faceted and interconnected with economic development. See Workforce Development section above. The \$250,000 EECC funding request for staff education and training could potentially be considered under the Economic Development category. The following additional unmet needs for childcare and potential strategies to address them should be evaluated that include:

- Businesses are unable to hire the staff they need to reopen or expand operations because of the lack of childcare, particularly for parents whose work schedules require care outside the traditional Monday-Friday 7:30 am - 6:00 pm workweek
- Technical and financial assistance to develop additional childcare facilities in Evanston including:
 - Home-based care that could offer parents, particularly mothers, the opportunity to develop a business while providing for the needs of their own children
 - A Childcare Cooperative that would provide jobs for its worker-owners and the opportunity to build wealth and equity.

Latinx Welcoming Center

Evanston’s Latinx population has grown substantially in recent years. Based on census data, its Hispanic population increased from 6,739 residents in 2010 to 8,778 in 2020, a 30% increase, exceeding the national Hispanic growth rate of 23%. During that same period, Evanston’s total population grew by 4.9%, from 74,486 to 78,110, while the two largest racial categories, White alone and Black alone, declined by 5.5% and 6.9%, respectively. Spanish is the primary language of approximately 45% of Evanston residents who report they speak English less than well, and 20.7% and 19.5% of District 65 and 202 students are Hispanic.

Input from the Latinx community at two roundtables facilitated by Envisioning Equity in June and October 2021 identified the need for a Latinx community center to improve access to services by providing a facility for existing Latinx organizations such as Evanston Latinos, Latinos Unidos, Latino Resources, Latinos en Evanston Northshore LENS, FLAP and COFI.

A Latinx Welcoming Center could be developed based on the innovative model of the Illinois Department of Public Health's Welcoming Center (IWC) that eliminates systematic barriers that immigrants may have in accessing services and empowers immigrant communities to succeed. There are 30 IWCs that are comprehensive service centers for the integration of immigrants and refugees in Illinois that receive operating support from IDPH. It needs to be determined if IDPH would provide operating support for such a center in Evanston if the City were to use ARPA to fund the upfront capital needs and start-up costs.

An Evanston Welcoming Center could be a hub for Latinx residents to access a broad range of social services and classes including, but not limited to:

- Mental health, dental and other health services
- Exercise classes
- English classes, including reading and writing for adults
- Reading/book club
- Programs for seniors
- Academic support/tutoring for school-age children
- Rent and utility assistance
- Legal services
- Financial literacy, including homebuyer counseling

The Welcoming Center would provide much-needed space for external organizations and service providers and City of Evanston staff to facilitate access to services such as dental clinics or the annual health clinics that used to take place in the summer; the Highland Park Legal Aid clinic was looking for a community partner to provide immigration legal services in Evanston, but Evanston Latinos didn't have adequate space.

Staff recommends creating a task force of Latinx service providers and community members to conduct community outreach for input on the physical space needed and prioritize programming as well as determine the potential for support from IDPH; consideration should be given to involving State legislators in this effort. Recommendations will be brought to the Social Services Committee for consideration before going to City Council.

AFFORDABLE HOUSING (CARP/Environmental Justice)

Developing and improving housing for homeless and housing insecure individuals and families is an eligible use to alleviate the economic impacts of the pandemic, address health and economic outcomes of the pandemic in low-income areas, and facilitate the integration of affordable housing in neighborhoods with high levels of opportunity.

Staff proposes developing recommendations for specific housing projects or programs for consideration by the Housing and Community Development Committee before going to City Council for approval.

This would facilitate the layering of ARPA with HOME and Affordable Housing Funds that are overseen by that committee. Use of the City's \$1,298,584 HOME-ARP grant, which has different eligible uses from HOME entitlement funds and is restricted to housing and services for Qualifying Households (QHs) defined as individuals or households that are homeless or at high risk of becoming homeless, should be included as a potential funding source for housing and support services targeted to households at 30% and 50% AMI, Tenant-Based Rental Assistance, or acquisition and development of non-congregate shelter.

Four priorities to address housing and homeless needs are:

- Affordable and mixed-income housing development
- Affordable, resilient housing retrofit program
- Assistance for small, local landlords
- Permanent 24/7 homeless shelter

A description of the process and timeframe to address each is provided below.

New Unit Development - Affordable and Mixed-Income Housing

To achieve maximum impact, ARPA funding should be used to leverage other sources including Low Income Housing Tax Credit (LIHTC), the largest source of funding for affordable housing in the country. Individual ARPA funding requests for housing projects and programs will be brought forward as they are developed to the Housing and Community Development Committee for review and facilitate consideration of other City-controlled funding including federal HOME and Community Development Block Grant, and the City's Affordable Housing Fund. TIF funds may also be used to develop new housing that is affordable to households with incomes \leq 80% AMI.

LIHTC was created under the Tax Reform Act of 1986 and provides a federal tax credit for affordable housing investments. LIHTC accounts for the majority (approximately 90%) of all affordable rental housing created in the United States today and is the most successful affordable housing tool in Illinois. The program is administered at the state level by state housing finance agencies, IHDA in Illinois, with each state getting a fixed allocation of credits based on its population. LIHTC gives incentives for using private equity to develop affordable housing for low-income residents in return for a dollar-for-dollar reduction in a taxpayer's federal income tax. It is much more attractive than a tax deduction that provides a reduction in taxable income only. Almost all investors in LIHTC projects are corporations. The maximum rent that can be charged is 80% of the Area Median Income (AMI) with the average rent not exceeding 60% AMI. Rents must be kept affordable for a 15-year initial compliance period" and a subsequent 15-year "extended use period." LIHTC does not fund the entire development cost of any project.

Applying for LIHTC is a complex and highly competitive process. A state's Qualified Allocation Plan helps determine which projects win LIHTC awards. Local support for LIHTC applications is important to IHDA's consideration for funding. Municipal financing commitments are considered a Leveraging Resource; projects can earn up to 8 points by leveraging external resources that minimize the non-LIHTC resources requested from IHDA. The City committed \$2M to the \$23M development budget of the Ann Rainey Apartments, contingent on an award of LIHTC from IHDA. Another factor that influences how a project scores is sustainable development, which also addresses the City's Climate Action and Resilience Plan (CARP).

Projects that achieve Green Building or Net Zero Certification can receive up to 13 points on a 100 point scale. Another factor is location - projects in a Qualified Census Tract (QCT) or Difficult Development Area (DDA) are eligible for a Basis Boost, which increases the property's maximum allocation, allowing a LIHTC property to generate more equity. Evanston has two tracts, 8092 and 8093, that would qualify.

IHDA PPA and Application Timeline - 9% LIHTC

The schedule for submission of Preliminary Project Assessments (PPAs) and Low Income Housing Tax Credit (LIHTC) Applications to the Illinois Housing Development Authority (IHDA) is:

- PPA submission deadline for 2022 LIHTC applications - 10/29/2021
- Notification of approval to submit full LIHTC Applications - 12/17/2021
- 2022 LIHTC Applications due to IHDA - 2/11/2022
- LIHTC recommendations to IHDA Board for approval - 5/20/2022

IHDA PPA and Application Timeline - 4% LIHTC

- IHDA will accept 4% LIHTC applications on a rolling basis through December 31, 2020.
- IHDA will endeavor to notify sponsors within 45 days of the Authority's receipt of the request for 4% PPA approval.
- Any 4% applications with an approved PPA may be submitted on a quarterly basis.

Staff recommends the following steps and timeframe for the development of new units:

- Identify any PPAs for Evanston projects that are approved to move to a full application for 9% LIHTC in mid-December
- Meet with the developer(s) to determine alignment with City of Evanston goals and develop a funding recommendation for consideration by the Housing and Community Development Committee at its January meeting
- HCDC recommendation goes to the City Council for approval at its second meeting in January 2022 to provide a letter of support/conditional funding by the LIHTC application deadline.

Affordable, Resilient Housing Retrofit Program - Partners 4 Places

A housing rehabilitation program that addresses energy efficiency, resiliency, and sustainability for housing occupied by lower-income households is needed to address disparities in health and well-being, and inequities in opportunities to build financial stability and intergenerational wealth due to historic discriminatory practices in access to financing and homeownership between African-American and white residents. In addition to ARPA, this program should include Community Development Block Grant (CDBG) funds, and potentially other funding such as Weatherization and Lead-based Paint Hazard Mitigation grants received by CEDA and Cook County, respectively.

Staff recommends developing a pilot One Stop Shop to implement recommendations for an Affordable, Resilient Housing Retrofit Program developed by the Center for Neighborhood Technology (CNT), Elevate, Muse Community+Design, and City staff that was funded by the Partners for Places grant.

CNT's program design recommendations center on the idea of creating a "One Stop Shop" where residents receive wraparound services for affordable, climate-resilient retrofit services. Currently, there are separate programs that address different vulnerabilities of low- and moderate-income residents to heatwaves and urban flooding, including Weatherization, Energy

Efficiency, and Flood Risk reduction, but there isn't a comprehensive approach to providing building and lot improvements, although Energy Efficiency For All (EEFA) has a fact sheet on best practices in One Stop Shop development specifically focused on energy and water efficiency in the multifamily housing market. One Stop Shop users could be low- and moderate-income homeowners and owners of rental properties with low- and moderate-income tenants. The program is designed to prioritize Black, Latinx, and other users of color to address historic exclusion from government-supported housing programs that have impacted their housing stability and health. Program goals include:

- A single application for multiple programs/funding sources
- A single point of contact to coordinate service delivery from multiple agencies for each user through formal partnership agreements or arms-length coordination
- Prioritization of comprehensive retrofit scopes that include:
 - Air sealing and insulating attic/roof and walls
 - LED lighting
 - Energy Star certified appliances
 - EPA WaterSense fixtures and toilets
 - Clothes dryer conversion to heat pump or electric dryer
 - Upgrading heating and cooling equipment to higher efficiency or electrically fueled heat pumps
 - Converting hot water heaters to tankless or electrically fueled heat pump water heaters
 - Rooftop solar photovoltaic (PV) potential
 - Stormwater management improvements (e.g., downspouts, native vegetation, trees)
- Design components to help preserve naturally occurring affordable housing such as the agreement to freeze rents, or keep rents below HUD Fair Market Rents for a period of years following the retrofit
- Ensure procurement and workforce development policies that support racial equity goals
- Assess local codes for potential barriers to specific strategies, particularly around electrification upgrades and natural gas to electric conversions to align with Net Zero standards
- Identify sustainable sources of funding that offer greater flexibility than existing federal sources including CDBG and Weatherization

Assistance for Small, Local Landlords

The impact of the COVID-19 pandemic on rent collection by landlords is significant, with rent losses of 10% or more reported by 31-37%, and losses of 50% or more reported by 7-9% of landlords surveyed in two nationwide studies. Although the proportion of landlords with tenants varied substantially between markets, the share of landlords collecting less than 90% of rents in 2020 increased by a factor of 3 to 4 times over 2019, while the share of landlords collecting less than 50% of rents increased by a factor of 2 to 5 times over the same period. Small landlords, particularly in low- and moderate-income areas and communities of color, reported deferring maintenance at higher rates than landlords with properties in higher-income areas, at 42% versus 37%, respectively, and also were more likely to have missed at least one mortgage, property tax, and/or utility payment, at 26 vs 21%. Only about 25% of landlords with smaller portfolios reported benefitting from rent assistance programs, while 51-87% of landlords with larger portfolios reported benefitting. In addition, small Evanston landlords report extensive rent losses from tenants who did not suffer income loss due to COVID-19 so ineligible

for rent assistance, but the eviction moratoria made eviction impossible. Assistance in the form of rehabilitation to address deferred maintenance should also include energy efficiency and sustainability improvements as described above to address health disparities and inequitable access to housing for lower-income renters.

Staff recommends forming a working group to get more input from small, local landlords on their needs in order to inform the development of assistance for consideration by the Housing and Community Development Committee before going to City Council for approval.

Permanent 24/7 Homeless Shelter

The Alliance to End Homelessness in Suburban Cook County (Alliance) and its partner agencies, including Connections for the Homeless, are developing a plan to reconfigure the homeless emergency shelter system that prior to the use of hotels as non-congregate shelter to protect homeless individuals from COVID-19, was primarily a Public Action to Deliver Shelter (PADS) overnight shelter system, some of which operated only in cold weather. The goal is to develop expanded emergency shelter and interim housing options tailored to different groups, including single adults, families, and youth/young adults. Their modeling suggests that the expansion of emergency shelters driven by COVID does not need to be sustained in full if a requisite investment in permanent housing is made. Prior to the pandemic, Evanston lacked adequate shelter for homeless individuals and families, with overnight shelter for men only at Hilda's Place in the Lake Street Church and the YWCA domestic violence (DV) shelter for victims of domestic violence and their families. The YWCA's new DV shelter provides a significant increase in capacity for DV victims but a substantial need for shelter for adults, families, and youth remains. In addition, non-congregate 24/7 shelter (individual rooms) provides greater housing stability for many people than congregate shelters. The Alliance continues to work to secure funding for shelter and other homeless needs from the State of IL and Cook County. HOME-ARP funding from ARPA can be used for the acquisition and rehab/construction of homeless shelters, as well as to develop housing units specifically for the homeless and unstably housed, as described above.

Staff recommends continuing to work with the Alliance and Connections for the Homeless to assess shelter needs in Evanston and north suburban Cook County and develop a plan for consideration by the Housing and Community Development Committee before going to City Council for approval.

WATER & SEWER INFRASTRUCTURE (CARP/Environmental Justice)

ARPA funds may be used for a broad range of projects that improve access to clean drinking water, improve wastewater and stormwater infrastructure systems. Projects must provide a level of service that meets applicable health-based standards, taking into account resilience to climate change. Investments in water or sewer infrastructure should also avert disruptive and costly delays, and promote efficiency. ARPA encourages using projects to support the economic recovery through employment opportunities for workers to ensure a reliable supply of skilled labor that would minimize disruptions, such as those associated with labor disputes or workplace injuries. ARPA provides substantial flexibility to address local needs and priorities, and align eligible uses with projects that would be eligible to receive financial assistance through the Environmental Protection Agency's (EPA) Clean Water State

Revolving Fund (CWSRF) or Drinking Water State Revolving Fund (DWSRF). Eligible projects include:

- Water main replacement. Council previously allocated \$3,000,000 toward water main replacement under (72-R-21).
- Replacement of lead water service lines. On August 27, 2021, the Governor signed the Lead Service Line Replacement and Notification Act that requires lead service lines to be replaced when installing new water mains and that lead service lines can not be repaired; they must be replaced in their entirety. The utility anticipates experiencing approximately 65 emergency repairs on lead service lines, galvanized service lines on both the City's and Homeowner's side as well as broken parkway valves that require replacement of the entire lead service line. Staff estimates the replacement of the private side of the lead service line will cost \$7,000 each. The total cost for 2022 would be \$455,000.00.

Other City Infrastructure Projects: There are several upcoming capital improvement initiatives that could be considered for ARPA funding that are not eligible under ARPA's Infrastructure category, but would be eligible for funding out of **revenue loss**:

- City Fiber Optic System Modernization (\$5,000,000)
- Sidewalk Improvement Program (\$2,000,000)
- Sidewalk Gap Infill Program (\$2,000,000)
- Animal Shelter Improvements (\$3,300,000 total, of which \$700,000 is funded)

INCLUSIVE & EQUITABLE RECOVERY (CARP/Environmental Justice)

In recognition of the disproportionate housing, health, and economic impacts of the COVID-19 pandemic on low-income communities and the importance of mitigating these effects, a broad range of services and programs are eligible uses when provided in a Qualified Census Tract (QCT), or to families living in QCTs. Recipients may also provide these services to other populations, households, or geographic areas that are disproportionately impacted by the pandemic. Census tract 8092 (5th ward) is a QCT; census tract 8102 (8th ward) does not qualify in its entirety, but it may be possible to qualify block groups 1 - 4. The City's Neighborhood Stabilization Program was implemented in these two census tracts; tract 8092 closely aligns with Evanston's redlined neighborhoods. ARPA funds may be used to facilitate access to resources that improve health outcomes and build healthier environments. Eligible activities include, but are not limited to:

- Development of new affordable housing
- Rehabilitation of existing housing to improve the health of lower-income residents (lead hazard removal/remediation, weatherization/energy efficiency, high-efficiency HVAC and air filtration systems, etc.), and implement Partners 4 Places initiative
- Childcare, home visiting programs
- Health services
- Support for non-profit service providers
- Support for small businesses
- Capital investment in parks and other outdoor recreation spaces (Beck Park and the Skate Park are in QCT 8092) and business districts
- Installation of sidewalks, bike lanes, and other infrastructure to encourage alternative methods of transportation and improve health outcomes by reducing vehicle emissions and encouraging physical activity
- Water and sewer infrastructure, and lead service line replacement

Additional guidance from the Treasury is needed to determine if the four census block groups in tract 8102 can be qualified for funding on a geographic basis as a high-need neighborhood. Projects and programs that qualify for funding in this category may also be eligible under Economic Development, Housing, Social Services, Water and Sewer Infrastructure, and Participatory Budgeting.

Staff recommends developing a community engagement process with residents of the neighborhood(s) targeted for this funding. Planning will involve cross-departmental coordination. Programs and projects proposed for funding in this category will be reviewed by the Housing and Community Development Committee or Economic Development Committee before being brought to City Council.

PARTICIPATORY BUDGETING

Staff proposes to hold \$2.5 million for participatory budgeting (PB). Staff anticipates engaging the services of experts in this work to develop a PB process that will effectively engage Evanston residents, particularly historically disenfranchised groups, so that new voices are heard. Effective PB uses grassroots organizing, outreach, and neighborly word of mouth to reach people who usually don't participate in the local government process. For example, PB doesn't restrict participation based on citizenship, so immigrants, undocumented residents, and even people under the legal voting age of 18 can take part. Effective outreach is critical to incorporate traditionally underserved perspectives into the PB process. When implemented as a reiterative process through an annual cycle of engagement that is integrated into a regular budgeting process, PB strengthens civil society by creating new relationships and empowering new leaders.

Typically a PB process follows these steps, usually over the course of a year:

- Design the process
- Brainstorm ideas
- Develop proposals
- Vote
- Fund winning projects

Staff proposes developing a recommendation for a consulting agency/organization to facilitate the development of a PB process for consideration by City Council.

PROPOSAL PROCESS & PROGRAM EVALUATION

Staff is designing an ARPA information and engagement process that will include an ARPA webpage(es) to communicate the City's ARPA plan and timeline, with a downloadable/printable ARPA Recovery Plan brochure, that will be updated regularly. A dedicated ARPA email address will also be provided for people to submit questions and suggestions that will go to the ARPA Analyst and other Housing and Grants staff for response. Additional pages may be added for specific projects or processes, including participatory budgeting, with a fillable form for providing input and suggestions as needed. Information will be made available in English and Spanish.

The Evanston Community Foundation (ECF) hosted a series of roundtables to get input from the community in order to "build a vision of using ARPA funds for Evanston's recovery and

rebuilding from the COVID pandemic grounded in clear, community-informed directives.” Roundtable participants had strong ideas about how projects should be selected and what criteria should be used to evaluate proposals and budgets to ensure that the overall ARPA plan reflects the core values of the Evanston community.

Based on input from the City Council, staff is developing a system to evaluate applications for funding. To help determine the community benefit of any proposed program or project and ensure that core values of the Evanston community are reflected, the following rubric or evaluation/scoring tool could be employed. In addition to traditional Return on Investment (ROI) measures such as full-time jobs and tax revenues, this evaluation tool incorporates eligibility for ARPA, the Evanston Community Foundation (ECF) Cross-Sector Themes that were developed from the series of roundtables to get community input on needs and the criteria for selecting projects and budgets, alignment with CARP and Environmental Justice, and the City Council goals. The scoring system could be further refined to create category weighting or by comparing outcomes to best practice benchmarks (e.g. public investment per job created).

PROJECT DESCRIPTION	
Description	
Location	
Total Project Cost	
FUNDING SOURCES	
ARPA	\$
Housing Tax Credits	\$
Other Govt	\$
TIF	\$
CIP	\$
General Fund	\$
District 65	\$
Private	\$
FINANCIAL RETURN ON INVESTMENT	
Jobs Created	
Jobs Retained	#
Property Tax Generated	\$
Sales Tax Generated	\$
Other Local Taxes (amusement, liquor, etc)	\$
% applicant equity / other private sources	%
Public Investment as % of Total Project Cost (<25%)	%
WORKFORCE DEVELOPMENT RETURN ON INVESTMENT	
Local Hiring	Weighted Scoring
Career Path Opportunity	

Liveable/"Thrivable" Salary	
Preference/priority for local ownership, MWEBE	
SOCIAL RETURN ON INVESTMENT^[1]	
Climate Resiliency Elements	Weighted Scoring
Personal Financial Wellness	
Public health	
Others TBD	
ARPA CATEGORY	
Economic Development	Yes or no
Social Services	Yes or no
Affordable Housing	Yes or no
Qualified Area Focused Inclusive & Equitable Recovery	Yes or no
COMMUNITY FOUNDATION CROSS-SECTOR THEMES	
Housing	Yes or no
Childcare	Yes or no
Investment in Black & Latinx Communities	Yes or no
Employment	Yes or no
Mental Health & Trauma	Yes or no
CITY COUNCIL GOALS 2019-2020	
City Infrastructure	Yes or no
Job Creation	Yes or no
Expand Affordable Housing	Yes or no
Ensure Equity	Yes or no
Stabilize Finances	Yes or no
Climate Action Resilience Plan	Yes or no
<p><i>[1] Social return on investment (SROI) is a method for measuring values that are not traditionally reflected in financial statements, including social, economic, and environmental factors. They can identify how effectively a company uses its capital and other resources to create value for the community. Source: Investopedia</i></p>	

ADDENDUM

Following is additional detail for consideration in future planning.

Early Childhood Education: There is substantial opportunity for workforce development, and potentially also small business development in the form of home-based childcare or a childcare cooperative. Kindergarten and elementary school teaching jobs are projected to grow 4% between 2019-2029, keeping pace with the average growth rate for all jobs. Additionally, Illinois has one of the top five highest concentrations of jobs for preschool teachers in the country. The demand for childcare centers and the professionals to staff them will increase as states implement preschool programs for 3- and 4-year-old children. As it stands, nearly 25% of preschool-aged children are enrolled in some sort of preschool. The number of subsidies for children from low-income families attending child care programs is

rising. In addition to becoming Kindergarten or Pre-K teachers, bachelor's degree holders in Early Childhood Education are set up for these fast-growing careers:

- Child Support Services, +16%
- Community Service Manager, +18%
- Special Education Teacher, +8%
- Early Childhood Education Curriculum Coordinator, +11%
- Child Care Center Program Director, +6%
- Instructional Coordinator, +11%

Oakton Community College offers ECE certificate and A.A.S. programs in Early Childhood Education. National Louis University has online Masters in ECE and Illinois Action for Children has training stipends particularly for people working at centers that accept CCAP, and assistance with accreditation for child care centers.

National Louis University offers online early childhood education master's programs for current and aspiring educational leaders within the early childhood space. In addition to an accredited master's degree in early childhood education, the program also satisfies requirements towards Illinois Level III Director's Credentials. The online program is delivered asynchronously and in cohort format where students interact with their peers through collaborative learning experiences. The degree can be completed in as little as 21 months. Coursework includes early childhood curriculum, financial and legal aspects of early child care management, strategies for supervision and staff development, and writing and effective communication for early childhood administrators.

In addition, Illinois Action for Children provides supports to childcare facilities and collaborates with its network of community partners to offer professional development opportunities to early care professionals and programs in Cook County including:

- Home- and center-based programs
- Licensed and license-exempt providers
- Providers serving CCAP and non-CCAP children

They offer health and safety, ExceleRate, and statewide affiliate trainings as well as activity-based trainings in English and Spanish to help childcare providers improve their quality to benefit children and families. They offer the tools and training providers need to perform at their best for the families and children they serve. Training is offered throughout Cook County to provide convenient training locations and networking with other providers in the community. Licensed child care programs working towards/maintaining an ExceleRate™ Illinois Circle of Quality may apply for an ExceleRate Illinois training stipend.

See Social Services section for additional information on needs relating to Early Childhood Education.

Business District Ambassador Program

Evanston's business districts are beginning to show wear resulting from a number of factors including aging infrastructure, deferred maintenance, and the COVID-19 pandemic. The ambassador program will have a strong focus on cleaning and beautification and will be designed to build relationships with merchants, residents, and visitors by assisting with directions, logging 311 concerns, providing cleaning and landscaping services in addition to

connecting people with social service needs with Evanston social service providers including Trilogy's mental health crisis services.

City staff will issue an RFP for business district cleaning and ambassador services. Respondents may be comprehensive service providers or may build teams providing individual services.

Orrington Avenue and Chicago Avenue Streetscape Improvement Project to Expand Outdoor Commerce

Staff is seeking City Council approval to reserve \$440,000 of ARPA to serve as a 20% match towards a State of Illinois Rebuild Downtowns & Main Streets Capital Grant.

Staff has identified streetscape improvement opportunities in downtown Evanston for Orrington Avenue (Davis to Church) and Chicago Avenue (Davis to Church) that require significant investment to help improve the economic viability of the small, locally owned / independent businesses lining the streets. The estimated total project cost for the improvements is \$2.2 million.

The project scope includes bringing all pedestrian areas in compliance with ADA standards, improving landscaping and tree installations, redesigning the existing planters, replacing lighting, and upgrading streetscape elements consistent with other corridor improvement projects. The grant application directly addresses some of the concerns raised by local businesses and addresses some of the placemaking opportunities discussed in earlier Economic Development Committee meetings.

Outdoor Dining/Storefront Modernization

Staff recommends committing \$250,000 of ARPA funds to the Storefront Modernization Grant Program to support COVID-19-related operational costs incurred by restaurants and retail establishments to provide a safe environment for customers and staff.

The expanded program would fund outdoor dining infrastructure improvements that extend the length of the outdoor dining season, interior ventilation improvements, and other operational costs that result in a safer business environment. This amendment would assist eligible small businesses to make needed improvements to help them survive the economic impacts posed by winter weather and the ongoing pandemic. Eligible Improvements would include enclosures, canopies, heating equipment, outdoor lighting fixtures, outdoor furniture, HVAC, and plumbing.