

SUBSTITUTE
ORDINANCE

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CHICAGO:

SECTION 1. Chapter 16-14 of the Municipal Code of Chicago is hereby amended by deleting the language struck through, and by adding the language underscored, as follows:

16-14-020 Definitions.

For purposes of this chapter, the following definitions shall apply:

(Omitted text is unaffected by this ordinance)

"Group I Award" means, with respect to an individual development project funded under this chapter, a grant in an aggregate amount of ~~\$250,000.00~~ \$300,000.00 or less, excluding any Pre-Development Award with respect to such project.

(Omitted text is unaffected by this ordinance)

"Group II Award" means, with respect to an individual development project funded under this chapter, a grant in an aggregate amount exceeding ~~\$250,000.00~~ \$300,000.00 and less than \$5,000,000.00, including any Local Residency Bonus, but excluding any Pre-Development Award, with respect to such project.

16-14-060 Authorized uses.

The following uses are authorized uses of the Neighborhood Opportunity Fund:

(Omitted text is unaffected by this ordinance)

(d) mixed-use projects consisting of one or more non-residential uses, plus at least 10 or more residential units; ~~and~~

(e) incubation, mentoring, and training of small businesses that otherwise qualify as authorized uses under subsections (a) through (d) of this section-; and

(f) loan loss reserve funding arrangements granted to qualified Community Development Financial Institutions (CDFIs) or other qualified delegates for the purpose of reducing the risk of lending private capital to NOF program participants otherwise having difficulty qualifying to borrow using traditional business debt instruments from mainstream lenders.

16-14-070 Eligible costs.

The Neighborhood Opportunity Fund may be used for the following costs when such costs are necessary or desirable for, or in support of, one or more authorized uses:

(a) costs to acquire, rehabilitate, or demolish substandard, obsolete, or vacant buildings, ~~not to exceed 50 percent of total project costs;~~subject to the following limitations:

(i) for Group I Awards, eligible costs under this subsection (a) shall not exceed 75 percent of total project costs; and

(ii) for Group II Awards, eligible costs under this subsection (a) shall not exceed 50 percent of total project costs;

(b) costs to construct new buildings, ~~not to exceed 50 % of total project costs;~~subject to the following limitations:

(i) for Group I Awards, eligible costs under this subsection (b) shall not exceed 75 percent of total project costs; and

(ii) for Group II Awards, eligible costs under this subsection (b) shall not exceed 50 percent of total project costs;

(Omitted text is unaffected by this ordinance)

(g) Small Business Development Costs, provided that such business support services costs shall not exceed ~~5~~15 percent of the Neighborhood Opportunity Fund; and

(h) administrative, reporting, and monitoring costs and expenses of the Neighborhood Opportunity Fund, provided such costs and expenses may not exceed ~~5~~15 percent of the Neighborhood Opportunity Fund.

16-14-080 Administration.

(Omitted text is unaffected by this ordinance)

(d) Subject to the availability of duly appropriated funds, the Group I Program Funding Limit shall be \$75,000,000.00, up to \$5,000,000.00 of which may be utilized for the purposes set forth in Section 16-14-060(f) of this Code, as of the effective date of this amendatory ordinance of 2024, unless such amount is increased or decreased by appropriate action of the City Council.

SECTION 2. This ordinance shall be in full force and effect following due passage and approval.