



## CITY OF WASHINGTON, ILLINOIS

### Public Works Committee Agenda Communication

**Meeting Date:** May 4, 2020

**Prepared By:** Jon R. Oliphant, AICP, Planning & Development Director

**Agenda Item:** Rebuild Illinois Grant Project Consideration

**Explanation:** Governor Pritzker announced his Rebuild Illinois program last fall as part of a multi-year capital investment bill. This is the funding mechanism for the eventual construction that will take place on Business Route 24. More recently, details were released about three grant programs that will be administered through DCEO: Competitive Public Infrastructure (CPI), Regional Economic Development (RED), and Shovel Ready Sites (SRS). The CPI program has a submittal deadline of June 30 while the other two do not have deadlines and applications can be submitted at any time until all funds are exhausted. Each of the programs have considerable overlap in their goals, eligibility, and ranking criteria. For the purposes of this discussion, the focus will be on the CPI because there is \$50 million available as compared to \$16.5 million for RED and \$13 million for SRS.

Here is a summary of the CPI program and its scoring criteria:

- The minimum project award is \$250,000 and the maximum award is \$5 million. Funds cannot be used for administration or activity delivery, the construction of buildings used predominantly for general government conduct, or the costs of operating and maintaining public infrastructure;
- Awards are for a 2-year period;
- Every unit of local government can apply;
- Eligible uses include: Road construction/reconstruction, waste disposal systems, water/sewer line extensions, water distribution facilities, flood and drainage projects, water tower maintenance and painting, rail/air/water port improvements, gas and electric utility extensions, and publicly-owned industrial and commercial sites;
- The application must include the following: Engineer's cost estimate, project location map, FEMA floodplain map, linkage to the Governor's 5-year economic plan, connections to other capital investments, minority inclusion plan, business infrastructure (how the project improves the ability to retain or create jobs), and whether the project is necessary to comply with state or federal regulations;
- A project readiness summary must include the following: The status of any required permits from state and/or federal agencies, full control of the ROW by having 100% of the necessary easements or ROW, water/wastewater treatment agreement, status of written permission from any other jurisdictional authorities, and the phasing of the project (if applicable);
- The selection criteria is based on the following (100 total points possible):
  - Narrative establishing linkage to the Governor's five-year economic plan (5 points)
  - Narrative demonstrating connection to other capital investments in the region (5 points)
  - Narrative on amplification of the impact by proximity or connection to other assets (10 points)
  - Strength of plan to include minority and women-owned businesses in the project (5 points)
  - Narrative detailing how this project improves the community's ability to retain or increase jobs (5 points)
  - Impact per-capita: Total grant amount divided by the number of residents in the city (5 points if the per capita cost is \$0-\$1,000.99 and deescalating from there)
  - Construction jobs: What jobs will be utilized during the construction phase of the project (15 points for 101 or more jobs and deescalating from there)

- Financial need of local government: Evaluation of the capability for the city to complete the project without the grant, based on the most recent audit (5 points for zero or a negative value and deescalating from there)
- Threat to health and safety: Degree to which present conditions affect public health and safety (5 points for an imminent threat of an entire system failure and deescalating from there)
- Opportunity Zones: 2.5 points given if the project area benefits an OZ (Washington is not in an OZ)
- Underserved area: If a census tract is any of the following: Poverty rate of at least 20%, 75% or more of the children in the area are eligible to participate in the federal free lunch or reduced priced program, at least 20% of the households in the area receive assistance under SNAP, or average unemployment rate is 120% of the national average for a period of at least two consecutive years (2.5 points)
- Letters of support: 0.5 points each with a maximum of 2.5 points
- City support: Local financial support of the project (5 points if 75% or more of the project cost is matched and deescalating from there)
- Non-public support: Funds provided by a non-governmental/non-public organization (7.5 points if 75% or more of the project cost is matched and deescalating from there)
- Project readiness: A demonstration must be made that the proposed project is appropriate and achievable and can be completed on time. All applications start at 20 points and are deducted based on the grant guidebook.
- It is not known when DCEO would award projects. DCEO has been very careful in noting that since this is the first time they have had this program, it may take quite awhile to go through each of the applications. For planning/budgeting purposes, staff figures there would not be an awards announcement prior to the end of the year. COVID-19 could impact that timeline.

This figures to be a very competitive program given the relative lack of funds allocated statewide. Any Washington projects that could be considered for application must be based on two points: 1) Project readiness is important, both by identifying any permits already obtained and the ability to complete the project in two years; and 2) While projects with a residential scope are not specifically prohibited, the connection between the Governor's economic plan and job retention/creation almost definitely means that awards will only be given to those that will see significant commercial/industrial spinoff investment and will have impact the local employment base.

**Fiscal Impact:** TBD depending on what, if any, project may be selected for application. A local match is not required. However, financial support from the City and/or non-public funds is worth 12.5% of the total scoring.

**Action Requested:** Staff requests feedback on whether to consider submitting a project application by the June 30 deadline.