

TO: Mayor and City Council

FROM: Beth Beatty, City Manager

SUBJECT:

Resolution to Establish a Business Continuity Grant Program for Chicago Street Businesses

BACKGROUND:

The City of Joliet will undergo construction projects to beautify the landscape, do maintenance, and improve the infrastructure. However, these projects will close streets to vehicular traffic, which will impact the day-to-day business activity in the Chicago Street commercial corridor from Webster Street to Jefferson Street. Please refer to Exhibit A to see the eligibility area.

The City of Joliet staff has received feedback from the affected business community about the financial impact of the construction projects. Staff researched programs our peer communities use to lessen the effects of large construction projects; many communities offer business interruption grants. These grants are designed to replace lost revenue allowing a business to maintain its presence during and after construction. Staff proposes adopting a similar program which would provide grants for up to 50% of lost revenue with a maximum of \$100,000 per business location per year. The grant will be paid in quarterly installments of up to \$25,000.

The proposed program is based on research staff completed on the approximate number of businesses in the area that would be eligible and performed a financial analysis to calculate the amount of funding needed, and on feedback from businesses.

Funding for this grant would come from the General Fund.

CONCLUSION:

The proposed program (Exhibit A) is based on research staff completed on the approximate number of businesses in the area that would be eligible and performed a financial analysis to calculate the amount of funding needed, and feedback from businesses.

RECOMMENDATION:

Staff recommends the Land Use & Economic Development Committee recommend approval of the Business Continuity Grant guidelines to the City Council.