



CITY OF WASHINGTON, ILLINOIS Committee of the Whole Agenda Communication

Meeting Date: May 13, 2024

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Agenda Item: Rebuild Downtowns & Main Streets Project Application Consideration

Explanation: DCEO recently opened its call for projects for the Rebuild Downtowns & Main Streets (RDMS) grant program. Applications must be submitted to DCEO by July 22. This program has some similarities to the Illinois Transportation Enhancement Program (ITEP), which is administered through IDOT. RDMS is intended to provide capital grants to support economic recovery in commercial corridors and downtowns that have experienced disinvestment, particularly in communities hardest-hit by COVID-19.

Unlike with the initial RDMS cycle in 2022, this cycle requires a 25% match for units of local government. The program has \$20 million available with awards ranging from \$250,000-\$2 million. DCEO anticipates that 20-25 awards will be made in fall 2024. A variety of expenditures are allowed through the RDMS program as long as they assist with commercial corridors and downtowns including the repair of roads, sidewalks, lighting, and landscaping; development of public spaces that will attract events to and/or add to the aesthetic appeal; improvement and repair of water and sewer infrastructure; and mixed-use or transit-oriented development. RDMS only provides reimbursement for capital expenditures. The construction or renovation of buildings used by the unit of government and costs of operating and maintaining public infrastructure are ineligible for funding.

The Phase I engineering portion of the Square streetscape project undertaken by Hutchison Engineering through a prior ITEP grant is nearly complete pending IDOT's review of the Project Development Report. Having PE I complete or in progress often helps in the scoring of future applications. A Square streetscape application would appear to be a solid fit, as a tie-in could be made with businesses that were impacted as a result of COVID. The City applied for this project in 2022 but it was not selected for an award.

Fiscal Impact: Much of the FY 24-25 TIF Fund budget contains financial obligations for prior private redevelopment agreements and the upcoming reconstruction of the 105 S. High Street parking lot. Phase II engineering for the Square streetscape project would need to be completed prior to construction. If that project was submitted and was awarded, the cost of the design would figure to be partially split between FY 24-25 and FY 25-26 (most of that in FY 25-26), assuming the awards announcement occurs as indicated by DCEO and a grant agreement is executed by the end of 2024. Construction could tentatively be started and nearly completed entirely in FY 25-26. As a result, construction funds could be budgeted next year. Any local match could also come from the general fund.

The remaining project (engineering and construction) carries a current estimated price tag of about \$3 million. Should there be interest in submitting an RDMS application for a Square streetscape project, staff would recommend only including a portion of the remaining construction, as was the case in 2022. This would allow for some of the work to be completed but not utilize as much of the TIF Fund and general fund for a local match. Staff recommends focusing on all of the components on the north side of the Square and wrapping around to include N. Main St. between Peoria St. and Zinser Pl. and the short segment on the northeast

side. These limits would allow for “clean” places to stop rather than trying to match new sidewalks and crosswalks that may eventually be replaced in the future. This portion of the project carries an estimated cost of \$1.014 million for the Phase II and III engineering and construction. The required 25% local match would commit the City to about \$254,000 of the project with a grant request of nearly \$761,000. Attached is a map showing these proposed project limits.

Please note that there is some uncertainty about what exactly would be included in the eventual Business 24 reconstruction project. It has been in IDOT’s capital improvement program for more than four years but the selection of a project engineer has not begun. Given the possible timing for the review, announcement, and grant agreement as part of the RDMS program, staff figures that PE II would not be able to begin until at least early 2025 if this proposed project were to be awarded by DCEO. Staff is very cautiously optimistic that more clarity on the BR 24 project may be known by then, which could therefore slightly reduce the scope of what would be included in an RDMS project if IDOT would be picking up some additional cost associated with sidewalk construction.

Action Requested: Staff seeks feedback on the possible submittal of an RDMS application. While the Square streetscape project is specifically identified above, other projects that fit the eligibility criteria can be considered.



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TAZEWELL COUNTY, ILLINOIS

WASHINGTON
RDMS GRANT
PROJECT
LOCATION MAP



Prepared by the City of Washington
Department of Planning and Development

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