



SECTION VIII

REVOLVING LOAN FUND CLOSEOUT PROGRAM

SECTION VIII

FUNDING OPPORTUNITY INFORMATION

This Application is for the use of federal Community Development Block Grant (CDBG) Funds through the State of Illinois’ Department of Commerce and Economic Opportunity (DCEO), Office of Community Development.

CATALOG OF FEDERAL DOMESTIC ASSISTANCE (CFDA) NUMBER: 14.228

CFDA TITLE: COMMUNITY DEVELOPMENT BLOCK GRANTS/STATES PROGRAM

CATALOG OF STATE FINANCIAL ASSISTANCE (CSFA) NUMBER: 420-75-1638

CSFA TITLE: COMMUNITY DEVELOPMENT BLOCK GRANTS
REVOLVING LOAN FUND CLOSEOUT PROGRAM

DCEO FUNDING OPPORTUNITY NUMBER: 24-8

DCEO FUNDING OPPORTUNITY TITLE: CDBG REVOLVING LOAN FUND CLOSEOUT PROGRAM

Applications may be submitted based on the published Guidebook. The Guidebook and required supporting documentation for the application can be found at: www.Illinois.gov/DCEO.

REVOLVING LOAN FUND CLOSEOUT PROGRAM

In order to clear the 2013 HUD Monitoring Finding concerning Revolving Loan Funds, DCEO determined the appropriate course of action was to close the Revolving Loan Fund program. The Department has designed the “RLF Closeout Program” to treat the remaining RLF communities fairly and provide flexibility in liquidating the remaining funds.

A. FUNDING AVAILABILITY

Communities will have non-competitive access to grants for up to two projects totaling the amount of their RLF Closeout Account.

The amount available to a community in their RLF Closeout Account will be determined by taking the community’s Revolving Loan Fund bank balance and adding any non-negative amount of current RLF accounts receivable minus the amount of RLF losses post October 1, 1992. (i.e. every community will have at least their RLF bank balance made available.)

$$\begin{aligned}
 &+ \text{RLF Bank Balance} \\
 &+ (\text{Current RLF Accounts Receivable} - \text{Amount of RLF Losses post October 1, 1992}) \text{ (if positive)} \\
 &= \text{RLF Closeout Account}
 \end{aligned}$$

A preliminary estimate of the community’s RLF Closeout Account was made available to RLF communities based on the RLF report covering January 1 – June 30, 2017. A final, official RLF Closeout Account balance will be calculated at the time of the RLF closure and reflect each community’s unique situation.

If a community with access to RLF Closeout Funds chooses to apply for funding from the annual competitive grant cycle, all standard requirements as outlined in the CDBG Guidebook apply. This includes competitive selection with other applications. If selected, the grant must utilize RLF Closeout

Funds before accessing annual allocation funds. This requirement also applies to the non-competitive Economic Development grants.

Example:

\$500,000 Housing Rehabilitation project
 \$295,000 Community's RLF Closeout Account available
 \$205,000 Funds from annual allocation

When only the community's RLF Closeout Funds are being used for a project, there is no grant ceiling, but the amount of the grant cannot exceed the RLF Closeout Account balance.

B. ELIGIBLE APPLICANTS

Only existing communities that held a RLF fund with post 1992 CDBG funds may apply for funding.

This includes:

City of Arcola	City of Martinsville	Village of Farmersville
City of Assumption	City of Morris	Village of Greenup
City of Barry	City of Morrison	Village of Hampshire
City of Beardstown	City of Mound City	Village of Hardin
City of Breese	City of Mount Carmel	Village of Kirkland
City of Bushnell	City of Mount Carroll	Village of Mark
City of Carbondale	City of Mount Vernon	Village of Metamora
City of Carmi	City of Nashville	Village of Onarga
City of Casey	City of Neoga	Village of Teutopolis
City of Centralia	City of Newton	Village of Walnut
City of Charleston	City of Olney	Village of Xenia
City of Du Quoin	City of Paris	Adams County
City of Freeport	City of Paxton	Calhoun County
City of Fulton	City of Pinckneyville	Crawford County
City of Galena	City of Red Bud	Jersey County
City of Galesburg	City of Salem	Pike County
City of Gillespie	City of Sparta	Pulaski County
City of Harrisburg	City of Streator	Saline County
City of LaSalle	City of Wamac	Shelby County
City of Litchfield	City of West Frankfort	Tazewell County
City of Marengo	Village of Aviston	Williamson County
City of Marion	Village of Bradley	Woodford County

In order to be eligible, municipalities must return to the Department the full balance of the locally-held Revolving Loan Fund as indicated on the final report, as well as all documentation required and requested by the Department.

C. ELIGIBLE ACTIVITIES

Communities will be able to utilize their "RLF Closeout Account" for our standard programs as outlined in the 2019 Illinois CDBG Guidebook:

1. Public Infrastructure projects plus Design and Activity Delivery elements
2. Housing Rehabilitation
3. Economic Development projects, however leverage is not required

In addition to our standard programs, the RLF Closeout Account can be used for the following special purposes:

4. Street Improvements (as defined by HUD's IDIS code 03K) including street drains, storm drains, curb and gutter work, installation of street lights or signs; and associated Design and Activity Delivery costs.
5. Sidewalks (as defined by HUD's IDIS code 03L) including sidewalk improvements, and installation of trash receptacles, trees, benches or lighting when part of a streetscape project; and associated Design and Activity Delivery costs.
6. Rehabilitation (as defined by HUD's IDIS code 14E) including publicly or privately owned commercial/industrial improvements to the exterior of a commercial building (generally referred to as "façade improvements") or to the correction of code violations; and associated Design and Activity Delivery costs.

Removal of Architectural Barriers may be eligible as part of the above activities if the removal can be qualified under HCDA Section 105(a)2, HCDA Section 105(a)4, or HCDA Section 105(a)5.

D. **ELIGIBILITY THRESHOLDS**

All RLF Closeout Projects must meet at least one of HUD's National Objectives:

- Benefiting low-to-moderate income (LMI) persons
- Aiding in the prevention or elimination of slums and blight
- Meeting other community development needs that pose a serious and immediate threat to the health and welfare of the community

Projects determined to not meet at least one of the following National Objective thresholds will be automatically designated as DO NOT FUND, and not reviewed further.

1. **Documentation of Low-to-Moderate Income Benefit**

It is important to note two differences in LMI documentation in the RLF Closeout Program:

- A. When using LMI as the National Objective for a Public Infrastructure project with RLF Closeout funds, the percentage of LMI is not scored as it is in the competitive cycle. LMI is a threshold and only needs to meet 51%. Consequently, if census data indicates 51% LMI for a community-wide project, do not complete a survey to try to boost the percentage. However, if RLF Closeout funds will be used for a targeted area Public Infrastructure, a survey is still necessary to document LMI meets the 51% threshold.
- B. Housing Rehabilitation projects are 100% LMI direct benefit activities. No community wide or target area surveys are required for your RLF application submissions. However, eligibility must be determined and documented prior to assistance being provided.

Applications utilizing the low-to-moderate income (LMI) benefit as a National Objective must include documentation that the proposed project will benefit at least 51.0 percent LMI persons, as determined by HUD Section 8 Income Guidelines contained in Section IX, Attachments. A community, or county may document its eligibility under the LMI requirement using one of three methods: 1) utilization of the most recent census data calculated by HUD; 2) conducting a

community-wide or target area income survey, or; 3) conducting a random sample survey of the community-wide or target area. Illinois Community Action Agencies (CAA) may assist with conducting an Income Survey; contact your local CAA for information.

U.S. Census Data – Please refer to Section I of the Guidebook for direction on how to obtain census data as calculated by HUD.

Income Surveys -- The standardized income survey form (Contained in Section III, Part I) required by the Department includes all essential questions needed for the CDBG application. This standardized format is to be used when submitting an income survey unless prior approval is received. Surveys may be conducted door-to-door or by mail. The Department will not approve the use of a telephone survey. Income Surveys must include signatures and addresses.

The first step of the LMI documentation process is to identify the boundaries of the area that will benefit from the project. The area that will benefit from the project activities is the "universe" which will be used to determine if at least 51.0 percent of the population is low-to-moderate income. For example, a water tower project or sewage treatment plant project would likely have a community-wide benefit. In comparison, extension of water or sewer lines would principally benefit households in a target area. All homes in the project area should be surveyed.

Applications that separate a part or parts of the project as being non-CDBG work for the purposes of meeting the LMI requirement will not be accepted.

The number and percentage of LMI individuals derived from the local survey must be determined by the number of persons in the household. The most recent HUD Section 8 Income Limits must be used to determine LMI status by family size. These figures are different for each county in the State. Once the survey has been completed and tabulated, use the Income Survey Tool to tabulate the LMI percentage. Print and include the Summary tab and all completed target area tabs. Enter the data as required on the "Analysis of Amount of Funds Used to Benefit Low-to-Moderate Income Persons" form. Maintain the survey forms on file. It is important to maintain the documentation in order to verify the survey results. "Spoiled Surveys" should not be included in your survey results. The Department will consider a survey to be "spoiled" under the following conditions: answers that are "whited" out; answers that are crossed through; or surveys that are not completed with one writing instrument consistently throughout (e.g., blue ink, pencil, etc.).

Income surveys conducted prior to January 1, 2014 will not be accepted. Surveys that indicate the LMI is more than 10 points above HUD's established LMI will be verified prior to grant award. All surveys must include the address. For surveys conducted between January 1, 2014, and June 30, 2016, the address may be handwritten and initialed by the reviewer. All surveys conducted after June 30, 2016 must have both the address and signature of the occupant.

- ◆ **Conducting a Community-wide /Target area Income Survey** -- In order to conduct an eligible Community-wide/Target area-wide Income Survey, the local government must attempt to survey 100 percent of the households and must receive at least a 75 percent response rate of usable surveys. Incomplete or incorrectly completed surveys are not considered usable. Use the Income Survey Worksheet (Contained in Section III, Part I) to tabulate survey results.

Each non-contiguous area must benefit at least 51.0 percent LMI persons on its own. No more than 10 non-contiguous areas can be included in the application.

- ◆ **Conducting a Random Sample Income Survey** -- Random Sample surveys can be conducted for Community-wide or Target area projects as long as the minimum household requirement is met. Applicants with **800 or more** households may conduct a Random Sample Income Survey. If an applicant wishes to conduct a Random Sample Survey, it must first submit a request to the Department and include a numbered list of households in the project area. The Department will review the request and assign a random sampling of **400 households** (plus 10 percent to account for “vacant and no response”) for conducting the survey.

If a community conducted a Random Sample Income Survey after January 1, 2014, and it was approved by the Department, the applicant may re-use that survey for the current grant application as long as the project benefit area has not changed.

If a community is using the USDA Rural Development as a funding source and used an income survey as part of the application process for USDA funding, the same survey area must be used for the proposed CDBG funding request. The Department will require the response rate (Line 7 of the CDBG income survey worksheet) to match USDA. Surveys will be verified with USDA. If discrepancies are found, the application will be designated as DO NOT FUND and not reviewed further.

Use the Income Survey Tool (contained in Section III, Part I) to tabulate survey results.

- **An income survey map - must** be included in the application. The survey map should detail all households in the project area indicating “higher” income, “lower” income, vacant, and no response, as well as all non-residential buildings in the benefit-area (businesses, schools, churches, and government facilities). Please see Section III, E, 3 for details on mapping.

The households identified on the income survey map must total and exactly match the breakouts indicated on the Income Survey Tool:

Total Households in Area (High Income + Low Income + No Response);

Total Households Surveyed (High Income + Low Income);

Total LMI Households Surveyed (Low Income); and

Total Households Surveyed above LMI (High Income)

- **An income survey map is not necessary for a community wide survey.**

2. **Documentation of Prevention or Elimination of Slums and Blight**

Activities under this national objective focus on a change in the physical environment of a deteriorating area. Under the elimination of slum and blight national objective, determining the extent of and physical conditions that contribute to blight is central to qualifying an activity. There are two categories that can be used to qualify activities under this national objective: 1) Prevent or eliminate slums and blight on an area basis; or 2) Prevent or eliminate slum and blight on a spot basis.

Slum Blight Area Basis (SBA) -- This category covers activities that aid in the prevention or elimination of slums or blight in a designated area. To qualify under this category, the area in which the activity occurs must be designated as slum or blighted. The following tests apply:

- The designated area in which the activity occurs must meet the definition of a slum, blighted, deteriorated or deteriorating area under state or local law;
 - Documentation must be maintained on the boundaries of the area and the conditions that qualified the area at the time of its designation. The designation of an area as slum or blighted must be re-determined every 10 years.
- Additionally, the area must meet either one of the two conditions specified below:
 - Public improvements (must be at least 2) throughout the area are in a general state of deterioration; or
 - At least 25 percent of the properties throughout the area exhibit one or more of the following:
 - Physical deterioration of buildings/improvements;
 - Abandonment of properties;
 - Chronic high occupancy turnover rates or chronic high vacancy rates in commercial or industrial buildings;
 - Significant declines in property values or abnormally low property values relative to other areas in the community; or
 - Known or suspected environmental contamination
- Eligible activities must address one or more of the identified conditions that contributed to the deterioration of the area.

Slum Blight Spot Basis (SBS) -- These are activities that eliminate specific conditions of blight or physical decay on a spot basis and are not located in a slum or blighted area. Rehabilitation is limited to the extent necessary to eliminate a specific condition detrimental to public health and safety.

Listed below are examples of potential acceptable documentation for slum and blight:

- | | |
|--|---------------------------------------|
| • Included in a TIF District | • Property Tax Records |
| • Included in an Enterprise Zone | • Court Orders |
| • Photographs (indicate date and location) | • Census Data |
| • Newspaper Articles | • Communications with Property Owners |
| • Structural Surveys | • Qualified Building Inspector Report |
| • Revitalization Studies | • EPA Documentation |

3. **Meeting other community development needs having a particular urgency** because existing conditions pose a serious and immediate threat to the health or welfare of the community, and other financial resources are not available to meet such needs. Existing conditions must be of recent origin or recently became urgent (last 18 months).

Each application should detail, as appropriate, the degree to which present conditions affect public health and safety, the severity and immediacy of the problem, and whether the proposed activities are necessary to comply with state or federal regulations. **CDBG staff reserves the right to not**

complete the review and deny funding, based on this threshold, when the threat to health and safety has not been documented.

A serious threat to health and safety is defined as a deficiency in the community public facility; the community lacks the facility entirely; problems clearly attributable to the deficiency have occurred, such as serious illness, disease outbreak, or serious environmental pollution; and the problem is present, continual, and chronic as opposed to occasional, sporadic, or probable. Documentation should be no more than 18 months old.

Listed below are examples of potential acceptable documentation of Urgent Need. To the greatest extent possible, please include dates and addresses/locations with the documentation used to verify/justify a threat to health and safety.

- State Disaster Declaration
- Weather Records
- Well water tests (minimum 25% sampling). Include a test result summary from the testing lab. Include map of tested locations.
- Pressure tests (PSI < 20 is considered a threat). Include a map of testing locations.
- Photographs (indicate date and location)
- Boil orders, map of line breaks with dates, and IEPA reference documentation
- Surface water tests with map
- IEPA or US EPA violation letters or documentation
- Letter from Attorney General
- Court Order
- Court Consent Decree
- Newspaper Articles
- Current resident complaint letters
- Water and sewer break log and map

NOTES:

- **The community's most recent audit is required to document financial need.**
- Multiple sources of documentation are necessary to qualify for the Urgent Need National Objective.
- Lead or asbestos pipes, alone, are not considered a threat to health/safety.

E. **ACTIVITY DELIVERY COSTS and ASSOCIATED COSTS** *(supersedes Section II E)*

Community Development Block Grants are federally funded and must comply with extensive federal regulations including procurement, environmental, Davis-Bacon labor standards and others. Failure to comply will result in grant funds being repaid by the Grantee/Community. It is important that Grantees seek out an experienced Grant Administrator to manage all of the details of the grant, provide oversight and coordination of the project. This management process is called "Activity Delivery" and includes such costs as (but are not limited to) salaries, travel costs, services performed under third party contracts, including legal and audit services, environmental review, additional fidelity bonding costs or other services required for the delivery of grant activities.

The maximum amount of CDBG funds that may be allowed for reasonable activity delivery costs varies by program.

Public Infrastructure, Street Improvements, Sidewalks, and Rehabilitation: Activity Delivery may be seven percent (7%) of the Grant Award, not to exceed \$30,000.

Housing Rehabilitation:

- Activity Delivery eight percent (8%) of the Grant Award to be used for administrative services necessary to the delivery/completion of the CDBG housing rehabilitation project.
- Rehabilitation Administration nine percent (9%) of the Grant Award to be used for all delivery costs (including staff, other direct costs, and service costs) directly related to carrying out housing rehabilitation activities. Examples include appraisal, architectural, engineering, and other professional services; preparation of work specifications and work write-ups; loan processing; survey, site and utility plans; application processing; and other fees.

Economic Development: Activity Delivery may be seven percent (7%) of the Grant Award, not to exceed \$30,000.

Selection of a qualified Grant Administrator is imperative to the success of the project.

All application writers and grant administrators must have administered an Illinois CDBG grant within the last two years or attend the 2019 grant administration (as well as the 2019 Application Workshop) Workshop.

All Grantees must use an experienced Environmental specialist, who has completed at least one Illinois CDBG Environmental Review since January 1, 2016 OR has successfully completed DCEO Environmental Training conducted on July 18, 2019.

Contracts for the purpose of securing services for activity delivery must be procured unless the contract is with a Regional Planning Commission, Council of Officials, or Community Action Agency. If an applicant is awarded a CDBG grant, the grantee's procurement process must be documented and kept with the grant files. Please see Section IX, Attachments for the Illinois CDBG Procurement Standards.

Activity delivery costs may include the estimated cost of an audit to be conducted in accordance with the Comptroller General's Governmental Auditing Standards, and 2 CFR 200.501, if applicable. However, be advised that CDBG funds can only be used to pay for its portion of the costs of an audit when a "single audit" is required. If a grantee expends less than \$750,000 of federal funds in one fiscal year, a single audit is not required. The grantee may still have to conduct an annual audit as required by State statute, but CDBG funds may not be used to pay for any portion of the audit costs.

Pre-program costs, such as application preparation and local income survey costs, are not eligible for CDBG funding.

F. NARRATIVE RESPONSES / INCLUSIONS

All applications must include the following narrative responses as well as the requested documentation. See the Application Submission Checklist contained in Section VIII, Part L for placement in the application.

1. **Letter of Transmittal** – must include the amount requested, a brief project description, the National Objective, additional funding amount and source.

2. **Project Summary** – should consist of a narrative covering all key points of the proposed project *to be funded, in part or in full, with RLF Closeout grant funds*. This summary should include the following:
 - ◆ Describe the project – What is being proposed and why. What National Objective is being met? How long has the problem existed?
 - ◆ Describe the project area, including legal boundaries. Who is being affected and how? Indicate whether the project will have a targeted-area or community-wide benefit. Provide a detailed explanation of how this specific project area was determined.
 - ◆ The project structure (i.e., will the residents be direct customers of the water district or is an agreement needed, what is source of water, who will treat wastewater, etc.).
 - ◆ Describe the scope of any other activities planned or ongoing which will support the proposed project.
 - ◆ Address project readiness (permits, easements, additional funding commitments).
 - ◆ The severity and immediacy of the problem.
 - ◆ Whether the project is necessary to comply with state or federal regulations.

3. **Cost Estimate** - **Must be on company letterhead, include the date and the proprietor's name, be less than one year old; and must match the costs contained in the CDBG Working Cost Estimate.**

G. **PUBLIC INFRASTRUCTURE, STREET IMPROVEMENTS, SIDEWALKS, AND BUILDING REHABILITATION PROGRAM REQUIREMENTS**

In addition to the requirements previously listed, the following are requirements which specifically apply to applications submitted for consideration under the Public Infrastructure, Street Improvements, Sidewalks or Building Rehabilitation (facade improvement) component.

1. Public Infrastructure applications must include documentation that any assessment levied against property (e.g., "tap-on" fee) occupied by low-to-moderate income persons will be waived or paid on behalf of the LMI households; and documentation that assistance to pay the cost of "connecting" (i.e., installing the privately owned and maintained line between a service lead/connection and a structure) will be offered to all residential households occupied by LMI persons.

2. All Project Maps as outlined in Section III, Public Infrastructure, Part E(3).

H. **HOUSING REHABILITATION PROGRAM REQUIREMENTS**

In addition to the requirements previously listed, the following are requirements which specifically apply to applications submitted for consideration under the Housing Rehabilitation component.

1. Housing Rehabilitation is a direct benefit activity. When CDBG funds are used for rehabilitation, 100 percent of CDBG housing rehabilitation funds must benefit low-to-moderate income persons. CDBG funds can be used to rehabilitate only those homes occupied by families verified to be of low-to-moderate income.
2. Applicants must be able to document support for the proposed project from eligible residents of the community. This can be done through the minutes of public meetings and/or resident sign-up sheets and the above described survey.
3. Applicants must provide a scope of work indicating that at least six (6) homes or more are to be rehabilitated.
4. Housing Project Design as outlined in Section IV Housing Rehabilitation, Part E(3).
5. Project Maps as outlined in Section IV Housing Rehabilitation Part E(4).

I. **ECONOMIC DEVELOPMENT PROGRAM REQUIREMENTS**

Please refer to Section V Economic Development, Parts A through H for additional information and requirements.

J. **SUBMISSION INFORMATION**

Under the Grant Accountability & Transparency Act (GATA), all applicants must register with the State of Illinois via the “Grantee Portal” at www.grants.illinois.gov and be pre-qualified prior to application.

In cooperation with GATA, please submit the following as part of your CDBG grant application package:

- ◆ **State of Illinois – DCEO Uniform Grant Application** (Section IX, Attachments).
- ◆ **IRS Certification Letter**: Include in the application “Letter 147c” or “Letter 4158c” provided by the IRS to verify the Taxpayer Identification Number (TIN) or Federal Employer Identification Number (FEIN) for the applicant. If you do not have a current (dated within five years) copy of an IRS certification letter on file, please call the IRS Business line, **1-800-829-0115**, to request a “**Letter 147C**”, or call **1-877-829-5500** to request a “**Letter 4158c**.” Only the applicant is authorized to request a copy of this letter.
- ◆ **SAM Registration/CAGE#**: All grantees, sub-recipients and contractors participating in the CDBG Program are required to be registered in the System for Award Management (SAM) at www.sam.gov for the purpose of obtaining a Commercial or Government Entity (CAGE) Code. The CAGE Code is a unique identifier assigned to government agencies and various organizations. CAGE codes provide a standardized method of identifying a given facility at a specific location. **This documentation, for the grantee, must be submitted with the application.**

NOTE: The State of Illinois Uniform Budget Template is only required if your application is funded. If awarded, the Budget Template will be sent to you along with the Notice of State Award Finalist (NOSAF).

All applicants should complete the application package and submit all requested material to the Department's **Springfield** Office at:

Illinois Department of Commerce and Economic Opportunity
Office of Community Development
500 East Monroe Street, Mail Code: R-2
Springfield, Illinois 62701

The funds in a community's RLF Closeout Account must be obligated to an approved project by December 31, 2020 or they will be returned to the state's pool of CDBG funding and made available to recipients statewide in our annual competitive program.

K. **PACKAGING YOUR APPLICATION**

All grant application materials **must** be:

- Typed (except for signatures and maps)
- Clipped together with a large binder clip on the top. Any oversize pages such as maps should be placed at the end of the application.
- Contained in two brown legal-size, open-top (no foldovers with cords or ties) expandable folders (One marked "original," and one marked "copy")
- Labeled with a 2"x 4" white label, placed in the top right-hand corner of the folder with the following information:
 - Name of Applicant
 - Type of Grant
 - Original or Copy

For Example:

VILLAGE OF ABRACADABRA
RLF Closeout
Original

DO NOT USE: dividers, staples, binders, folders or other methods of containment.

Submit the original and one complete copy. Include all of the following:

- **All Application Materials** (Application Forms and documentation). *Please clearly label the original.*

NOTE: *All application materials requiring a signature from the applicant must be signed by the Chief Elected Official.*

- ◆ *Applicants should not submit income surveys with the application. Grantees who are awarded grants will be required to provide the income surveys as a Special Grant Condition prior to the issuance of a Grant Agreement.*

SECTION VIII
REVOLVING LOAN FUND CLOSEOUT
L. APPLICATION FORMS

Revolving Loan Fund Closeout Application Submission Checklist

All CDBG applications will be screened for completeness. Applicants must complete and submit this checklist with the application. **All pages of the application must be sequentially numbered.** Use the right-hand column, labeled "Page Number" to indicate the page for each item. (,)

- _____ Original grant application (*indicate the "original" on the cover*)
- _____ A complete copy of the grant application

PROJECT INFORMATION

PAGE NUMBER

- _____ Letter of Transmittal from Chief Elected Official _____
- _____ Completed Submission Checklist (This Page) _____
- _____ State of Illinois-DCEO Uniform Grant Application (See Section IX, Attachment C) _____
- _____ CDBG Applicant Project Information _____
- _____ Project Summary _____
- _____ Project Maps _____
- _____ FEMA Issued Floodplain Map _____
- _____ Working Cost Estimate _____
- _____ Cost estimates from Engineer, Vendor, or Inspector _____
- _____ Minority Benefit/Affirmative Housing Statement _____

DOCUMENTATION, CERTIFICATIONS, RESOLUTIONS

- _____ Council Resolution of Support **and** Resolution Committing Local Funds **or** Combined Resolution
(*If using local funds, you MUST indicate the account the funds are in*) _____
- _____ Citizen Participation/Public Hearings - 7-day notice, newspaper clipping,
Publisher’s certification, certified minutes, attendance sheet(s) _____
- _____ Local Government Certifications _____

ATTACHMENTS

- _____ W-9 _____
- _____ SAM Registration (CAGE #) _____
- _____ IRS Certification Letter _____

PROGRAM SPECIFIC REQUIREMENTS

Public Infrastructure, Street Improvements, Sidewalks or Rehabilitation (Façade Improvement)

- _____ Firm documentation of commitment from leveraging source(s) (if applicable) _____
- _____ Copy of IEPA Construction Permit(s) (if available) _____
- _____ Copy of water purchase or wastewater treatment agreement (if applicable) _____
- _____ Copy of Option to Purchase (if applicable) _____

National Objective: Benefiting Low to Moderate Income Persons

Forms may be found in Section III, Public Infrastructure, Part I.

- _____ Analysis of Low-to-Moderate Benefit _____
- _____ Low-to-Moderate Income Survey Summary, if applicable _____
- _____ Income Survey Worksheet(s), if applicable _____
- _____ Income Survey Map, if applicable _____
- _____ Request to Conduct Random Sample Survey and DCEO’s response/sampling, if applicable _____

National Objective: Aiding in the Prevention of Slums and Blight

- _____ Evidence of blight designation (*Example TIF District designation boundaries*) _____
- _____ Photographs of the area _____

National Objective: Immediate Threat to Health and Safety

_____ Health & Safety Documentation _____

Economic Development - *Forms may be found in Section V Economic Development, Part J*

- _____ CDBG Economic Development Fact Sheet _____
- _____ Private Investment Commitment Letter(s) _____
- _____ Analysis of Benefit to Low-to-Moderate Income Persons _____
- _____ Job Creation/Retention Impact Analysis _____
- _____ Employee Income Certification – Job Creation _____
- _____ Employee Income Certification – Job Retention _____
- _____ Business Financial Documentation Checklist and all required documentation for _____
Financial Assistance or Public Infrastructure _____
- _____ Business Certification _____
- _____ Detailed narrative of all non-CDBG related activities which references all sources of _____
financing and corresponding specific uses of funds. _____

Housing Rehabilitation – *Forms may be found in Section IV Housing Rehabilitation, Part I*

- _____ Housing Fact Sheet _____
 - _____ Local General Contractors Information _____
 - _____ Local Administrative Policy & Procedures Manual (one copy only) _____
 - _____ CDBG Income Survey and Housing Needs Survey* _____
- *Must be submitted together; as a double-sided original.

Letter of Transmittal

(Date)

Director's Office
Illinois Department of Commerce and Economic Opportunity
500 East Monroe
Springfield, Illinois 62701

Dear Director:

The (name of local government) is submitting an application for a **(Public Infrastructure, Housing Rehabilitation, Economic Development, Street Improvements, Sidewalks, Rehabilitation – choose one)** grant funded from the Community Development Block Grant (CDBG) Revolving Loan Fund Closeout. The grant request is in the amount of \$_____ to be used to (use of funds). **The CDBG assisted activity meets the (low and moderate-income persons, prevention or elimination of slums or blight, community development need having a particular urgency – choose one or more) National Objective.** The (name of local government) will contribute \$_____ from (source of funds) toward the completion of the project.

I certify that this application **complies** with the eligibility threshold(s) of the **(low and moderate-income persons, prevention or elimination of slums or blight, community development need having a particular urgency – choose one or more) National Objective**; and, if not proffering a community-wide benefit, this project will benefit a target-area that is primarily residential.

Very truly yours,

(Signature of Chief Elected Official)

**CDBG APPLICANT PROJECT INFORMATION
REVOLVING LOAN FUND CLOSEOUT**

I. TYPE OF PROJECT:

- Public Infrastructure project (can include Design and Activity Delivery elements)
- Housing Rehabilitation
- Economic Development projects (leverage is not required)
- Street Improvements (as defined by HUD’s IDIS code 03K) including street drains, storm drains, curb and gutter work, installation of street lights or signs
- Sidewalks (as defined by HUD’s IDIS code 03L) including sidewalk improvements, and installation of trash receptacles, trees, benches or lighting when part of a streetscape project
- Rehabilitation (as defined by HUD’s IDIS code 14E) including publicly or privately owned commercial/ industrial improvements to the exterior of a commercial building (generally referred to as “façade improvements”) or to the correction of code violations

II. PROJECT OBJECTIVE

The project meets the following National Objective:

BENEFITING LOW-TO-MODERATE INCOME (LMI) PERSONS

The LMI benefit was determined by using:

- CENSUS DATA INCOME SURVEY: RANDOM SAMPLE Community Wide or Target-Area

TOTAL NUMBER
OF PERSONS SERVED
(Survey Worksheet – **Line 16**)

TOTAL NUMBER
OF LMI PERSONS SERVED
(Survey Worksheet - **Line 14**)

PERCENT BENEFIT
TO LMI PERSONS
(Survey Worksheet - **Line 17**)

Number of persons by specific ethnic group benefiting from the project.

Ethnic Category	Total Persons	# Also Hispanic
White		
Black/African American		
Asian		
American Indian/Alaskan Native		
Native Hawaiian/Other Pacific Islander		
American Indian/Alaskan Native and White		
Asian and White		
Black/African American and White		
American Indian/Alaskan Native and Black/African		
Other Individuals Reporting more than One Race		
# of female headed households?		

- AIDING IN THE PREVENTION OR ELIMINATION OF SLUMS AND BLIGHT**
- MEETING OTHER COMMUNITY DEVELOPMENT NEEDS THAT POSE A SERIOUS AND IMMEDIATE THREAT TO THE HEALTH AND WELFARE OF THE COMMUNITY**

III. PROJECT ENGINEER

CONTACT PERSON:

TITLE:

ADDRESS AND PHONE NUMBER:

Legal Name _____

Street Address _____

(required)

P.O. Box _____

(Only if no street address)

City _____

State _____

Zip Code _____

(include + 4)

E-Mail _____

(required)

BUSINESS PHONE: (____) _____

(____) _____

FAX PHONE: _____

FEDERAL EMPLOYER IDENTIFICATION NUMBER: _____

(required)

**REVOLVING LOAN FUND CLOSEOUT
WORKING COST ESTIMATE**

The Working Cost Estimate should include all funding used to complete the eligible HUD-defined activity. The CDBG Working Cost Estimate should include any contract that is paid, in part or in full, with CDBG grant funds.

If other funds are necessary to finance the construction contract, identify all activities included within the project and the amount and source of financing.

Activity Budget	Total Amount	CDBG Request	Other Funds	Identify Other Source(s)
03Jw Water Improvements				
LMI Connections				
03Js Sewer Improvements				
LMI Connections				
03I Flood Drainage Improvements				
03K Street Improvements				
03L Sidewalks				
14A Single Unit Residential				
14E Rehabilitation Publicly or Privately Owned Commercial Exterior				
14HI Rehabilitation Administration (Housing)				
17B Commercial/Industrial Infrastructure Development				
Total Construction				
Design				
Activity Delivery				
Other				
TOTAL				

An Engineer’s Cost estimate must be submitted and support the numbers (to be funded in part or in full with CDBG funds) in the working cost estimate; and should include specifications of the project, e.g., lineal feet of sewer, water lines, size and capacity of a water tower to be constructed, number of LMI households to be connected to a system, etc. Do not include any contracts for which CDBG funds are not used.

MINORITY BENEFIT/AFFIRMATIVE HOUSING STATEMENT

a. What is the percentage of the minority group(s) population residing in the community?	%
What is the percentage of the minority group(s) population residing in the proposed project (" targeted ") area?	%
Identify the characteristics of the population of the project (targeted) area by specific ethnic group. This information may be obtained from the most recent Census Data or from the income survey if a survey was conducted. (If survey data is being used, and less than a 100% response rate was received, extrapolated data should be used, rounding fractions to whole numbers)	

Racial Group	Total Persons	# of Hispanic / Latino Ethnicity
White		
Black/African American		
Asian		
American Indian/Alaskan Native		
Native Hawaiian/Other Pacific Islander		
American Indian/Alaskan Native and White		
Asian and White		
Black/African American and White		
American Indian/Alaskan Native and Black/African American		
Other Individuals Reporting more than One Race		
# of Female Headed Households		

With the <u>exception</u> of "Female Heads of Households", the above numbers should equal the total number of persons to benefit from the project ("targeted" area).	
b. What is the goal for the percentage of CDBG funded contracts to be awarded to minority contractors?	%
c. If the percentage goal in <i>b</i> is <u>substantially less</u> than the percentage of minorities residing in the community, please explain. _____ _____	
d. If funded, the applicant agrees to affirmatively further fair housing by posting Fair Housing Posters and by making HUD Fair Housing Complaint Forms available to the public. In addition, the Department <u>recommends</u> that the unit of local government pass a Fair Housing Resolution. Please check one below: <input type="checkbox"/> We already have a Fair Housing Resolution on file. (Indicate Number and Date Passed _____) <input type="checkbox"/> If funded, we will pass a Fair Housing Resolution. <input type="checkbox"/> We do not plan to pass a Fair Housing Resolution at this time.	

Signature of Chief Elected Official: _____ **Date** _____

SECTION VIII

REVOLVING LOAN FUND CLOSEOUT

**M. DOCUMENTATION, CERTIFICATIONS AND
RESOLUTIONS**

COUNCIL RESOLUTION OF SUPPORT

Resolution No. _____

(The Resolution CANNOT be dated prior to the date of the Public Hearing)

WHEREAS, the (unit of local government) _____ is applying to the State of Illinois for a Community Development Block Grant, and

WHEREAS, it is necessary that an application be made and agreements entered into with the State of Illinois.

NOW, THEREFORE, BE IT RESOLVED as follows:

- 1) that the (unit of local government) apply for a grant under the terms and conditions of the State of Illinois and shall enter into and agree to the understandings and assurances contained in said application.
- 2) that the Mayor (County Board Chairman) and City Clerk (County Clerk) on behalf of the City (County) execute such documents and all other documents necessary for the carrying out of said application.
- 3) that the Mayor (County Board Chairman) and City Clerk (County Clerk) are authorized to provide such additional information as may be required to accomplish the obtaining of such grant.

Passed this _____ day of _____, _____. (date required)

ATTEST: _____
 City Clerk (County Clerk) Mayor (County Board Chairman)

RESOLUTION COMMITTING LOCAL FUNDS

Resolution No. _____

(The Resolution CANNOT be dated prior to the date of the Public Hearing)

WHEREAS, the City Council (County Board) of the City (County) of _____, Illinois has taken action to submit an Illinois Community Development Block Grant (CDBG) public infrastructure application,

WHEREAS, receipt of CDBG grant assistance is essential to allow the City (County) of _____ to undertake the project to _____,
(project description)

WHEREAS, criteria of CDBG are such that financial participation by the grantee is required in conjunction with CDBG funds, and

WHEREAS, the City (County) of _____ has certain monies allocated for the above-referenced project with cash on hand, as needed.

NOW, THEREFORE, BE IT RESOLVED THAT the City (County) of _____ does hereby commit funds from _____ **(account/fund)** for use in conjunction with an Illinois Community Development Block Grant, such funds to equal _____% of the estimated total project cost of \$ _____, or \$ _____.

PASSED and APPROVED at its regular (special) City Council (County Board) Meeting, held on the _____ day of _____, _____. (date required)

Mayor (County Board Chairman)

ATTEST:

City Clerk (County Clerk)

RESOLUTION OF SUPPORT AND COMMITMENT OF LOCAL FUNDS

(The Resolution CANNOT be dated prior to the date of the Public Hearing)

WHEREAS, the City (County) of _____, is applying to the State of Illinois for a Community Development Block Grant (CDBG) grant,

WHEREAS, it is necessary that an application be made and agreements be entered into with the State of Illinois, and

WHEREAS, criteria of CDBG are such that financial participation by the grantee is required in conjunction with CDBG funds.

NOW, THEREFORE, BE IT RESOLVED as follows:

- 1) that the City (County) apply for a grant under the terms and conditions of the State of Illinois and shall enter into and agree to the understandings and assurances contained in said application.
- 2) that the Mayor (County Board Chairman) and City Clerk (County Clerk) on behalf of the City (County) execute such documents and all other documents necessary for the carrying out of said application.
- 3) that the Mayor (County Board Chairman) and City Clerk (County Clerk) are authorized to provide such additional information as may be required to accomplish the obtaining of such grant.
- 4) that the City (County) of _____ does hereby commit funds from _____ **(account/fund)** for use in conjunction with an Illinois Community Development Block Grant, such funds to equal _____% of the estimated total project cost of \$ _____, or \$ _____.

Passed this _____ day of _____, _____ (date required)

Mayor (County Board Chairman)

ATTEST:

City Clerk (County Clerk)

PUBLIC HEARING NOTICE

Reasonable access to all available application materials must be provided where all persons within the community will have reasonable access (e.g. Village or City Hall or a public area such as a post office, web page, community center, bank, etc. located within the same county as the applicant) and shall be available for a reasonable amount of time to allow for response and comment.

(Applicant) will hold a public hearing on (date), at (time), in (place) to provide interested parties an opportunity to express their views on the proposed federal funded Community Development Block Grant (CDBG) project. Persons with disabilities or non-English speaking persons who wish to attend the public hearing and need assistance should contact (name, address, and phone #) no later than (date). Every effort will be made to make reasonable accommodations for these persons.

On or about (date of application submission), (Applicant) intends to apply to the Illinois Department of Commerce and Economic Opportunity for a grant from the State CDBG program. This program is funded by Title 1 of the federal Housing and Community Development Act of 1974, as amended. These funds are to be used for a community development project that will include the following activities: (summary of proposed project). The total amount of CDBG funds to be requested is \$(Amount requesting). The amount of CDBG funds proposed to be used for activities that will benefit low-to-moderate income persons is \$(amount of CDBG funds requested X percentage of low-to-moderate income persons). The (Applicant) also proposes to expend \$(amount) in non-CDBG funds on the project. These non-CDBG funds will be derived from the following sources: (source(s) and amount).

Information related to this project will be available for review prior to the public hearing as of (date) at the office (location) between the hours of (office hours). Interested citizens are invited to provide comments regarding these issues either at the public hearing or by prior written statement. Written comments should be submitted to (name and address) no later than (date) in order to ensure placement of such comments in the official record of the public hearing proceedings. A plan to minimize displacement and provide assistance to those displaced has been prepared by (Applicant) and is also available to the public. This project will result in (no displacement of any persons or businesses – or – displacement of the following persons and businesses [name and address]). For additional information concerning the proposed project, please contact (name, telephone number) or write to (person, address).

LOCAL GOVERNMENT CERTIFICATIONS

On this (date) of (month), (year), the (title and name of the Chief Elected Official) of (name of the local government) hereby certifies to the Department of Commerce and Economic Opportunity in regard to an application and award of funds through the Community Development Block Grant that:

1. It will comply with the National Environmental Policy Act (NEPA) with the submission of this application and it further certifies that no aspect of the project for assistance has or shall commence prior to the award of funds to the community and the receipt of an environmental clearance.
2. It will comply with the Interagency Wetland Policy Act of 1989 including the development of a plan to minimize adverse impacts on wetlands, or providing written evidence that the proposed project will not have an adverse impact on a wetland.
3. It will comply with the Illinois Endangered Species Protection Act and the Illinois Natural Area Preservation Act by completing the consultation process with the Endangered Species Consultation Program of the Illinois Department of Natural Resources, or providing written evidence that the proposed project is exempt.
4. It will identify and document all appropriate permits necessary to the proposed project, including, but not limited to: building, construction, zoning, subdivision, IEPA and IDOT.
5. No legal actions are underway or being contemplated that would significantly impact the capacity of the (name of local government) to effectively administer the program, and to fulfill the requirements of the CDBG program.
6. It will coordinate with the County Soil and Water Conservation District regarding standards for surface and sub-surface (tile) drainage restoration and erosion control in the fulfillment of any project utilizing CDBG funds and involving construction.
7. It is understood that the obligation of the State will cease immediately without penalty of further payment being required if in any fiscal year the Illinois General Assembly or federal funding source fails to appropriate or otherwise make available sufficient funds for this agreement.
8. It acknowledges the applicability of Davis-Bacon prevailing wage rate requirements to construction projects; a wage rate determination must be obtained prior to commencement of any construction or equipment installation; and, it shall discuss these requirements with the contractor.
9. It will comply with Section 3 of the Housing and Urban Development Act of 1968 to ensure that employment and other economic opportunities generated by certain HUD financial assistance shall, to the greatest extent feasible, and consistent with existing federal, state, and local laws and regulations, be directed to low and very low-income persons and businesses.
10. It certifies that no occupied or vacant occupiable low-to-moderate income dwellings will be demolished or converted to a use other than low-to-moderate income housing as a direct result of activities assisted with funds provided under the Housing and Community Development Act of 1974, as amended.
11. It will conduct a Section 504 self-evaluation of its policies and practices to determine whether its employment opportunities and services are accessible to persons with disabilities.
12. It will comply with 2CFR.200 and applicable areas of Illinois' Grant Accountability and Transparency Act (GATA).
13. The area, in whole or in part, in which project activities will take place, **IS** or **IS NOT** (circle one) located in a floodplain.

A FEMA Floodplain map is included in the application (as required) and is located on Page _____

If yes, does it participate in the National Flood Insurance Program? Yes ____ No ____

If no, provide an explanation as to why it does not participate: _____

Signature of Chief Elected Official

Date