

**SECTION III**

**COMPETITIVE PUBLIC INFRASTRUCTURE COMPONENT**

**SECTION III**

**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: 420-75-1632

CSFA TITLE: COMMUNITY DEVELOPMENT BLOCK GRANTS

PUBLIC INFRASTRUCTURE PROGRAM

DCEO FUNDING OPPORTUNITY NUMBER: 24-2

DCEO FUNDING OPPORTUNITY TITLE: CDBG PUBLIC INFRASTRUCTURE PROGRAM

Applications may be submitted based on the published Notice of Funding Opportunity and 2023/2024 Guidebook. The Guidebook and required supporting documentation for the application can be found at: <https://dceo.illinois.gov/communitydevelopment.html>

***COMPETITIVE* PUBLIC INFRASTRUCTURE PROGRAM**

The Department has allocated an estimated $19,500,000 in CDBG funds to the Public Infrastructure (PI) component. A grant ceiling of $1,500,000 per project, including allowable Activity Delivery costs up to $35,000 for all projects, has been established. The objective of this program component is to fund public infrastructure projects with priority given to projects involving water and sanitary sewer systems, or storm sewer upgrades or combined sewer separations.

Applications for the Competitive PI component will be due **Thursday, January 18, 2024**. (See Submission Information, Section III, Part I.)

In a situation where two or more eligible local governments face a common problem, a joint application may be filed. See Section VII for an intergovernmental cooperation agreement. Local governments, however, must not only share a common problem, but must be able to demonstrate that a joint effort is required to solve the problem. Include this information in the Project Summary. Joint applications which are submitted only for administrative convenience will not be accepted.

“**On Behalf Of” Applications:** Cities, Villages, Counties, and Townships may also submit "on behalf of" applications for local entities that otherwise may not be eligible to apply; for example, rural water system or cooperative, water or sanitary district, or an unincorporated area. .

1. The entire project area must be contained within the unit of local government submitting the “on behalf of” application.
2. No more than one (1) “on behalf of” application may be submitted in the same county for the same Public Utility, System, Cooperative or District.
3. An "on behalf of" or joint application may not be filed for an entitlement municipality or a municipality located in an entitlement county.
4. If applying “on behalf of”, the Public Utility, System, Cooperative or District.must be indicated in the Transmittal Letter.
5. The Public Utility, System, Cooperative or District that the application is on behalf of must be included in the Project Summary.
6. For applications submitted on behalf of a Public Utility, System, Cooperative, or District, (where the awarded grant funds will be passed-thru to the cooperative or district for the completion of project activities) the applicant will be required to enter into a Participation Agreement or what is commonly known as a “claw back agreement” with the district/cooperative regarding the specific CDBG project activities, and the applicable sanctions that may be applied if those objectives are not satisfied. Participation Agreements will be completed after the Department issues a Notice of State Award Finalist (NOSAF), which contains conditions related to the grant.

A. **Eligible Activities**

The funding priority for the PI component is for water and sanitary sewer systems, and storm sewer construction projects, including combined sewer separations. **Activity Delivery for administrative activities up to $35,000 is eligible for funding.** See Section II, Part D for specifics on Activity Delivery. All grant funds must relate to one of the following HUD-defined activity codes:

**03I Flood and Drainage Improvements** 24 CFR 570.201(c) or 42 USC 5305(a)(2) Used for the acquisition, construction, or rehabilitation of flood drainage facilities, such as retention ponds or catch basins. **Do not use 03I for construction/rehabilitation/separation of storm sewers, street drains, or storm drains: use 03Js for those**.

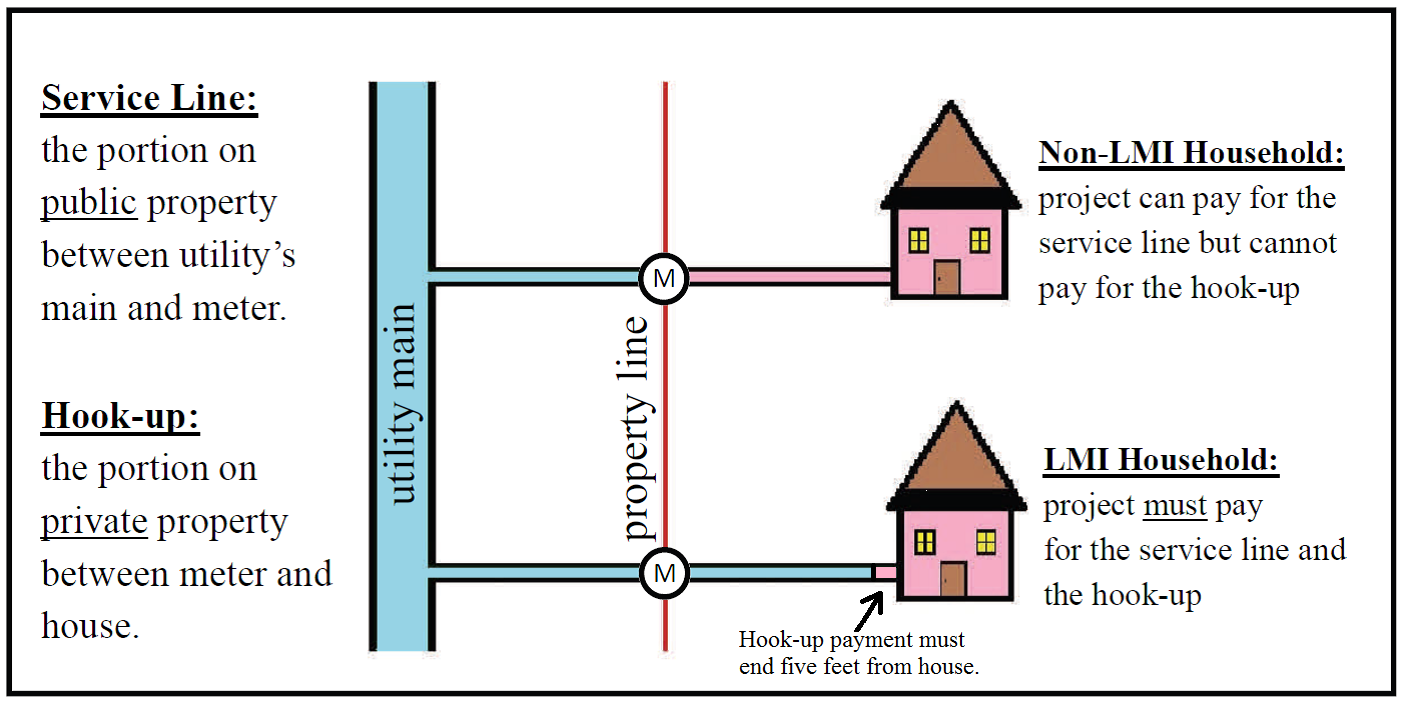
**03Jw Water Improvements** 24 CFR 570.201(c) or 42 USC 5305(a)(2) Used for the installation, replacement, or re-lining of water lines and fire hydrants (fire hydrants are only eligible when part of a larger project). Costs of street repairs (usually repaving) or sewer re-location made necessary by water improvement activities are eligible.

**03Js Sewer Improvements** 24 CFR 570.201(c) or 42 USC 5305(a)(2) Used for the installation, replacement, re-lining or separation of sanitary sewers and storm sewers. Costs of street repairs (usually repaving) or water main re-location made necessary by sewer improvement activities are eligible.

Activities must be germane, connected in purpose, address the same threat to health and safety, and have the same LMI benefit (project outcome). The Department will not accept applications for projects that have both a community-wide and a project-area benefit (e.g., water tower & water main replacement in same grant application) or that have multiple activity codes (e.g., water improvements and sewer improvements) in the same application.

For infrastructure projects involving alterations of streets, roads or highways which have pedestrian walkways, applicants must factor in the costs of adding and/or replacing curb ramps at all intersections having curbs or other barriers to entry from a street level or pedestrian walkway.

Funds may be used to finance costs associated with the connection of residential structures to public facility improvements. Residential structures which are "occupied" by eligible low-to-moderate income persons must be connected. See the following diagram. A Connection is a privately-owned and maintained line on privately-owned property between a service lead/connection and a structure. **The limit that CDBG will pay for each individual water or sewer LMI household connection is $6,000 per household.** If the Connection cost exceeds $6,000 per household, the difference must be paid by other sources, but cannot be assessed against the low-to-moderate income occupant. **Applications for the sole or primary purpose of connecting low-to-moderate income households to public facility improvements will not be accepted.**



**LMI Household:**

Grant funds may pay for the service line and **must** pay for the connection

**Connection:**

The portion on private property between the meter and house.

**Non-LMI Household:**

Grant funds may pay for the service line but cannot pay for the connection

**Service Line:**

The portion on public property between the utility’s main and meter.

NOTE: Connections are considered a DIRECT BENEFIT activity. Therefore, prior to receipt of direct benefit, the applicant MUST document the income eligibility of each household receiving the grant-funded assistance through an Income Certification. **No projects only for the purpose of hook-ups, meters, fire hydrants, or curb stops/shut-offs will be accepted.**

Project areas must be primarily residential in character. Projects that are designed to benefit a commercial/business area will not be reviewed. The Department reserves the right to reduce a grant award’s scope and/or funding to remove benefit to a non-residential area outlined in an application that otherwise primarily benefits a project area that is residential in character (e.g., remove proposed water main replacements in a commercial district, but fund those in adjacent residential neighborhoods).

* *The definition of primarily residential, provided by a federal source, is an area where the majority can be considered to contain residential real property. Under 12 CFR 1266.1, residential real property can be any of the following: one-to-four family property; multifamily property; real property to be improved by the construction of dwelling units; real property in the process of being improved by the construction of dwelling units.*
* *An area is not considered to be primarily residential if the majority of the defined area is non-residential. Under 12 CFR 1266.1, non-residential real property means real property not used for residential purposes, including businesses or industrial property, hotels, motels, churches, hospitals, educational and charitable institutions, clubs, lodges, association buildings, golf courses, recreational facilities, farm properties not containing a dwelling unit or similar types of properties.*

B. **Ineligible Activities**

The following are specifically identified as ineligible.

1. Construction of buildings, or portions thereof, used predominantly for the general conduct of government (e.g., city halls, courthouses, jails, police stations).
2. General government expenses. Costs of operating and maintaining public infrastructure and services (e.g., mowing parks, replacing street light bulbs).
3. Servicing or refinancing of existing debt.
4. Activities that do not address the threat to health & safety, including but not limited to:

a. projects designed for the sole purpose of replacing water meters;

b. projects designed for the sole purpose of addressing water loss;

c. portable generators;

d. permanently-affixed generators that are not part of a larger project;

e. telemetry systems and similar equipment that are not part of a larger project.

5. Projects needed as a result of deferred maintenance.

1. All Engineering costs associated with the planning, design or management of construction activities.

7. The following items when included as part of the Engineer’s Cost Estimate:

1. Televising
2. Camera, Camera Work and/or Camering
3. Cleaning, Pre-Cleaning or Testing
4. Any word or phrase containing “Engineering”
5. Construction Management and Oversight
6. Construction Observation
7. Contingency or Contingencies
8. Miscellaneous, Misc., Miscellaneous Costs, and/or any phrase/word containing “Misc”
9. Other, Other Costs, Other Expenses and/or Other Construction (that is not defined on the Estimate)
10. Interest or Bond Costs
11. Inflation
12. Legal
13. Any other item or phrase not related to actual construction activities
14. Any construction item or phrase not related to construction activities spelled out in the Project Summary and Threat to Health/Safety Documentation (e.g., proposed sewer-relining project area is in SW side of community, but engineer’s estimate includes sewer lift station rehab on east side of town, with no other documentation and/or explanation of how that relates to the SW side project)

C. **ELIGIBILITY THRESHOLDS**

Projects determined to not meet the following three thresholds will be automatically designated as DO NOT FUND, and not reviewed further.

1. **Low-to-Moderate Income Benefit Requirements**

Each application must include documentation that the proposed project will benefit at least 51.0 percent low-to-moderate income (LMI) persons. Those projects benefiting less than 51.0 percent LMI persons will not be considered for funding.

Each application 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.

**Municipalities, Townships, or Counties** proposing a project within their corporate boundaries must first attempt to determine its eligibility using HUD’s Low-to-Moderate Income Summary Data (LMISD).

* LMI data for Illinois Places (city, village) can be found in the Library on the Office of Community Development webpage at <https://dceo.illinois.gov/communitydevelopment.html> or by using HUD’s LMISD web-based application (linked to the next bullet-point).
* LMI Data for all areas (city, village, county, township, block group(s) can be found using HUD’s LMISD web-based application at <https://hud.maps.arcgis.com/apps/webappviewer/index.html?id=ffd0597e8af24f88b501b7e7f326bedd>.
* Information on how to determine LMI using HUD’s LMISD and to access on-line tools, can be found at <https://www.hudexchange.info/programs/acs-low-mod-summary-data/>.

LMA is defined by HUD as a means of achieving the Low-and-Moderate Income National Objective.  In accordance with HUD’s CPD Notice 19-02, the following applies:

Compiling a Service Area from the LMISD. HUD uses the term “Service Area” to define the entire area served by the project. The service area could be an entire community (ex: for a water tower project), a small area of the community (ex: replacement of several blocks of sewer lines), or a rural area that crosses several block groups (ex: rural water extension). Based on the type of activity, the applicant will identify the service area, and then refer to the LMISD for an equivalent geography.

Service areas are a singular area and based on the intended beneficiaries of the LMA activity. The service area must be drawn to include all of the locations affected by the project. Applications with more than one service area will be deemed Do Not Fund. The service area shall not be drawn to intentionally include LMI persons that would not benefit, nor shall it be drawn to intentionally exclude non-LMI persons that would benefit. All service areas must include at least 5 homes or be a section (nominally one square mile as defined by the Public Land Survey System).

Once the service area has been reasonably delineated, the LMISD geographies that most closely correspond are chosen. Applicants may combine geographies to best represent service areas, typically by combining two or more block groups. When using multiple geographies in the determination of LMA compliance, applicants are reminded that percentages shall not be averaged across multiple geographies. The proper calculation is as follows:

LMI % = (LMI Persons Geography A + LMI Persons Geography B + LMI Persons Geography C…) ÷ (LMI Universe Geography A + LMI Universe Geography B + LMI Universe Geography C…)

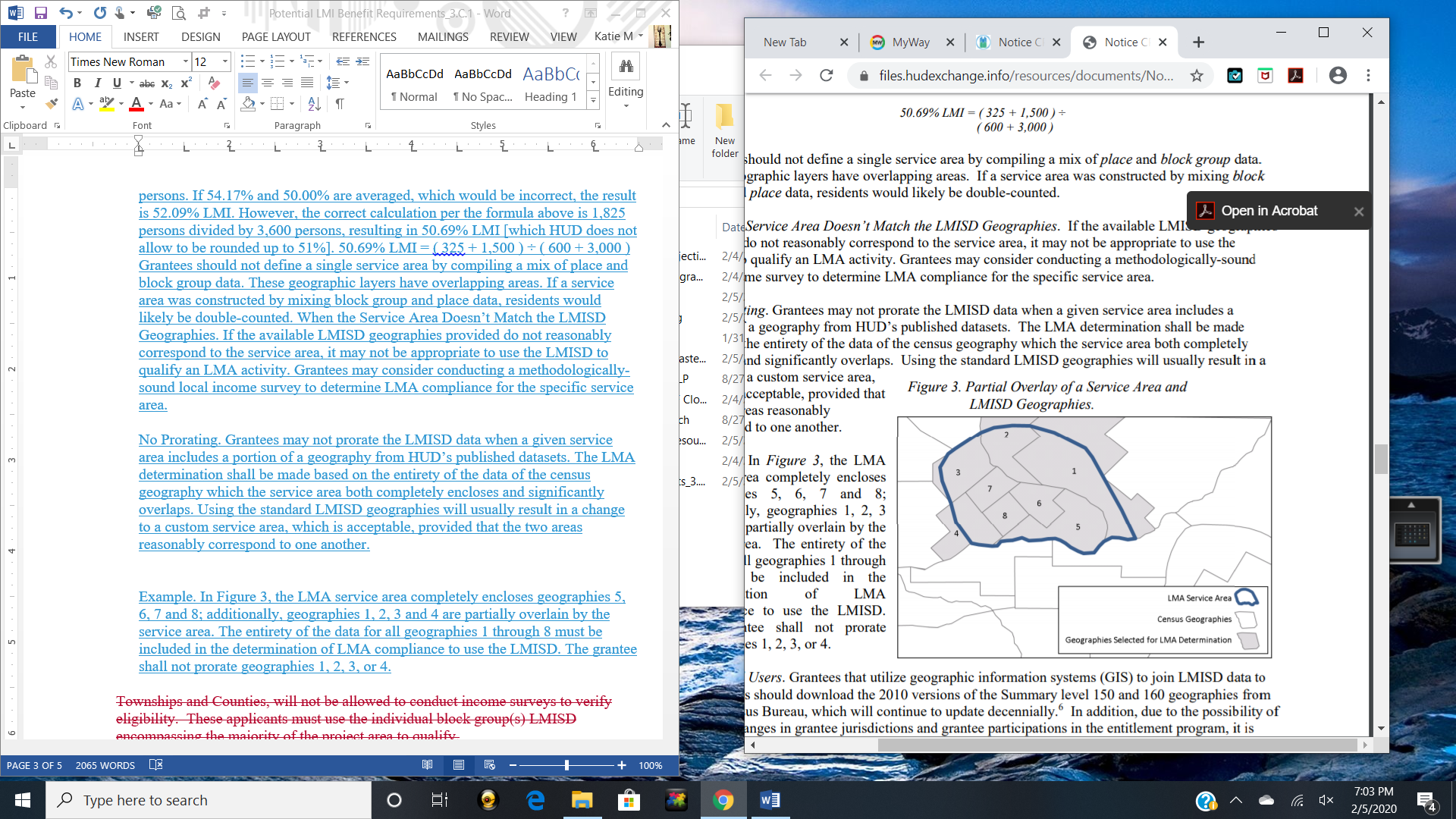
Example. A service area corresponds with two block groups. Block group 1 is 54.17% LMI with a population of 325 LMI persons of 600 total persons. Block group 2 is 50% LMI and has 1,500 LMI persons of 3,000 total persons. If 54.17% and 50.00% are averaged, which would be incorrect, the result is 52.09% LMI. However, the correct calculation per the formula above is 1,825 persons divided by 3,600 persons, resulting in 50.69% LMI [which HUD does not allow to be rounded up to 51%].

*( 325 + 1,500 ) ÷ ( 600 + 3,000 ) = 50.69% LMI*

Applicants should not define a single service area by compiling a mix of place and block group data. These geographic layers have overlapping areas. If a service area was constructed by mixing block group and place data, residents would likely be double-counted.

No Prorating

Applicants may not prorate the LMISD data when a given service area includes a portion of a geography from HUD’s published datasets. The LMA determination shall be made based on the entirety of the data of the census geography which the service area both completely encloses and significantly overlaps. Using the standard LMISD geographies will usually result in a change to a custom service area, which is acceptable, provided that the two areas reasonably correspond to one another.



Example. In Figure 3, the LMA service area completely encloses geographies 5, 6, 7 and 8; additionally, geographies 1, 2, 3 and 4 are partially overlain by the service area. The entirety of the data for all geographies 1 through 8 must be included in the determination of LMA compliance to use the LMISD. The applicant shall not prorate geographies 1, 2, 3, or 4.

1. **Determining LMI Benefit**

If the Community’s LMI shown on LMISD or the LMI Data for Illinois Places is 51% or greater, no further action is needed, regardless of where the project is located in the Community or how many project areas are proposed. Utilizing Figure 3 above, assuming that the combination of gray areas was either a City, Village, Township or County, and the Service Area is the blue circle, the project would be eligible if the gray area (community) meets the 51% LMI threshold.

If the City, Village, Township or County does not meet 51% low-to-moderate income using LMISD or LMI Data, they may conduct an Income Survey only if:

* the HUD identified LMI percentage is 42% or greater; OR
* the HUD identified “margin of error (MOE)” when added to LMI identified by HUD would enable the community to reach “51%” LMI by conducting a survey.
  + For example, Community A is 41.2% LMI and has a MOE of +/- 10.4%, the highest LMI a survey could result in is 51.6%. Therefore, Community A could possibly meet 51% LMI and is eligible to conduct an income survey.
  + Community B is 41.2% LMI and has a MOE of +/- 4.8% the highest LMI survey could result is 46%. Therefore, it is not possible for Community B to meet 51% LMI and they are ineligible to conduct an income survey.

**If the LMI percentage or percentage plus MOE qualifies for an income survey, you will only survey the service area. If the service area is the whole community, the whole community must be surveyed. You do not survey the related geographies outside of the service area that helped to establish the baseline for income survey qualification.**  **Using Figure 3 again, you will need to survey only the area contained within the blue lines of the ovoid shape.**

The listing of Illinois communities on DCEO’s website shows HUD calculated LMI percentage and the applicable MOEs. To see the MOE on the LMISD tool, you must scroll down on the data block, however, LMISD does not provide MOE for all geographies.

SPECIAL CIRCUMSTANCES:

* If the project is confined to a smaller area inside of a City, Village, Township or County, and the Community does not meet 51%, LMI may be established utilizing Census Tract Block Group (or multiple contiguous blocks if the project is contained therein) data.
  + If a singular Census Block reaches 51% then there is no need to survey. If it reaches 42%, OR the “margin of error (MOE)” identified by HUD would enable the Census Block to reach “51%” LMI by conducting a survey; you may survey the Service Area
  + If the project covers multiple Census Blocks, use the Low-to-Moderate-Income Blending Worksheet in Section III, Part J.to calculate the percentage. If the calculation reaches 51% then there is no need to survey. If it reaches 42%, you may survey the Service Area.
* If the Community-wide projects benefit direct-billed water or sewer customers outside their corporate boundaries, then they will not have to account for those customers for LMI threshold purposes if utilizing LMISD or LMI Data for Illinois Places to establish the threshold of 51%. This is because they are likely already included in the data. However, if a survey is being utilized to establish LMI, they must be included in the survey.

* If a municipality sells services to another municipality, both the selling municipality and the buying (or proposed buying) municipality’s LMISD must be included and documented. The overall HUD census LMI benefit of the selling and buying municipalities would be determined by the following formula: total low-mod residents of all municipalities divided by total population of all municipalities multiplied by 100 (Total LM Persons/Total Universe X 100 = LMI%). If residents along the route between the selling and proposed buying municipality are to be hooked up to the line, they must be surveyed and their data included in the above calculation.

1. **Documenting LMI Benefit**

**Applicants who meet the LMI threshold using HUD’s LMISD tool must include a print-out of the LMISD area search result(s) and any worksheets showing the calculations used to determine the LMI percentage for the project area in the grant application.** In addition, the LMISD area used must correspond with the area identified on the project location map. CDBG staff reserves the right to not complete the review and deny funding if the LMI service area and the area identified on the project location map do not correspond. All LMI percentages will be verified as part of the review process. **CDBG staff reserves the right to not complete the review and deny funding, based on this threshold.**

Income Surveys -- The standardized income survey form (Contained in Section VII) 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 be completed based on the household occupants and include the structure address. The resident does not need to sign the Income Survey, however, residents receiving a direct benefit will need to complete an Income Certification prior to receiving benefit.

The number and percentage of LMI individuals derived from the local survey must be determined by the number of persons in the household utilizing HUD’s CDBG Income Limits. These limits can be found at [CPD Income Eligibility Calculator and Income Limits - HUD Exchange](https://www.hudexchange.info/incomecalculator/). These figures are different for each county in the State. Once the survey has been completed, use the Income Survey Worksheet to tabulate the LMI percentage. 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.).

* + **Conducting an Income Survey** -- In order to conduct an eligible Income Survey, the applicant must attempt to survey 100 percent of the households in the service area and must receive at least a 75 percent response rate of usable surveys. Incomplete or incorrectly completed surveys are not considered usable. Income surveys must be completed after the deadline for the previous round of funding. Surveys completed prior to January 20, 2023 will not be accepted.

Applicants must use the Income Survey Worksheet (Contained in Section III, Part J) to document the LMI benefit.

* + **If conducting a Survey in a service area that cannot be qualified by LMISD in accordance with HUD CPD Notice 19-02, an income survey map must** be included in the application. The survey map should detail all households in the service 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, F, 1 for details on mapping.

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

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.**

**CDBG staff reserves the right to not complete the review and deny funding, based on this threshold, when the minimum Low-to-Moderate Income percentage has not been met.**

2. **Documentation of Threat to Health and Safety**:

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.

Within the Project Summary, each application should detail the public infrastructure needs to be addressed by the proposed project and the specific project activities to be undertaken. This narrative should include, 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.

In addition to the narrative in the Project Summary, applications must include multiple examples of documentation of the threat to health and safety relating to the project in the application. Listed below are examples of acceptable documentation of threat to health and safety. All documents must contain dates and when applicable, the location.

* + 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.
  + Court Order
  + Letter from Attorney General
  + Surface water tests with map
  + Newspaper Articles, Conversations on Social Media, Print-outs of television or radio broadcasts.
  + Boil orders, map of line breaks with dates and IEPA reference documentation.
  + IEPA or US EPA violation letters or documentation.
  + Court Consent Decree
  + Photographs (must identify subject matter of the photograph and indicate date and location). If subject matter, date and location are not included, **we will not accept the photograph**.
  + Water and sewer break log and map
  + Current resident complaint letters in their own words, dated, with address and signature. “Form letters” that the resident just signs **will not be accepted**.

**NOTE: Lead or asbestos pipes, alone, are not considered a threat to health/safety.**

**Threat to Health & Safety documentation must be no more than two (2) years old**. If a violation notice from IEPA/US EPA is submitted as documentation, and is more than two years old, the applicant must submit a written explanation from the issuing-agency explaining the current status of the violation/threat to health and safety. *Documentation more than two years old may be submitted to document history of the problem, but will not be reviewed without current documentation to substantiate a current threat.*

An application in which a threat to health and safety is well documented includes multiple examples from the list above, and a narrative that clearly explains the threat, and why it is a threat. Please consider that DCEO staff are not on-site to see the issue, so the narrative and documentation must “tell the story”. Proper documentation includes more than one kind of document”.

**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 or demonstrated.**

3. **Water and Sewer Rates:** A fundamental principle of utility fund financing is that user **rates should be sufficient** to fund the entire cost of utility system operations. This principle is accepted by all authoritative Sources.  Therefore, **an applicant must demonstrate that the applicable Water or Sewer rate currently meets or exceeds 1 percent of the Median Household Income (MHI) per 5,000 gallons**. Water rates apply to proposed water projects, and sewer rates apply to proposed sewer projects. **Water, sewer, and/or any other type of municipal rates (e.g., trash service) may not be combined** to meet a sufficient water rate for a proposed water project or sewer rate for a proposed sewer project. Minimum allowable utility rates for Illinois municipalities can be found on the Department’s website at: <https://dceo.illinois.gov/communitydevelopment.html> Variable and combined utility rates are not acceptable.

The Utility Rate threshold does not apply to storm sewer, combined sewer separation, or drainage projects.

**CDBG staff reserves the right to not complete the review and deny funding, based on this threshold, when the minimum utility rate has not been met.**

D. **FUNDING SOURCES**

Points will be assessed for communities contributing other funding toward construction costs of the proposed project. Applications must provide written evidence that necessary, additional funding for the project is firmly committed. If proper documentation is not provided, points will not be assessed. **Applicants are strongly cautioned to investigate all funding sources and make a firm decision as to the source prior to submitting a CDBG application.** Documentation necessary to provide evidence of additional funding includes:

* American Rescue Plan Act (ARPA) funds can be utilized by local governments for improvements in water and sewer infrastructure. The applicant’s council or board resolution committing a specific dollar amount of ARPA funds to the project must be included.
* A current firm commitment letter from a Financial Institution must include: language which indicates that the loan will be approved and that the institution will lend subject to certain conditions; the specific dollar amount of the loan; the specific term of the loan (**not to exceed 10 years, and no balloon or adjustable rate language**); and the projected interest rate of the loan. The date of the commitment letter cannot be more than 12 months prior to application date.
* For projects which intend to secure funding from the Illinois Environmental Protection Agency (IEPA), the CDBG application must include a copy of the IEPA letter approving the community’s Project Plan for public water or sewer system projects. Loan funds are available for a maximum term of 30 years with interest rates historically below 3 percent.
* For projects which intend to secure bonds through the Illinois Finance Authority (IFA), a copy of the Preliminary Resolution issued by IFA to indicate approval of the community’s application for bond funds must be submitted.
* A firm commitment of funding from the united states department of agriculture rural development (RD) must include all pages of an approved Form RD 1940-1, “Request for Obligation of Funds.” Loan and grant funds are available with loans up to 38 years with interest rates generally 5 percent or lower.
* Units of Local Government proposing to use local sources (cash-on-hand, bonds, in-kind labor, or on behalf of utilities), must submit the following documentation, per source:
  + Local Cash on Hand – The applicant’s council or board resolution that committed a specific dollar amount to the project, which identifies where the monies will be paid or received from, must be included.
  + Issue revenue or general obligation bonds – The applicant’s council or board resolution approving the intent to issue bonds and specify a dollar amount.
  + In-kind labor - the application must include 1) a “schedule” which details the activities to be completed by its employees, their titles, qualifications, hourly wages, and the projected number of hours needed to complete the activity to calculate the value of the in-kind labor; and 2) the applicant’s Resolution Committing In-Kind Labor identifying the activities and value of the labor.
  + On behalf of utilities - The on behalf of utility’s council or board resolution committing a specific dollar amount to the project, which identifies where the monies will be paid or received from, must be included.
* For Applicants identifying il capital projects as the fund source, an internal review will be conducted by the Department to verify that the project is fully-approved; including an executed Grant Agreement; all conditions have been met; final Business Enterprise Program clearance has been obtained (if applicable); and that the initial sanctioned-percentage of funds has been disbursed.

E. **NARRATIVE RESPONSES**

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

1. **Letter of Transmittal** – must be on applicant’s official letterhead, dated, include the amount requested, a brief project description, the LMI benefit, and additional funding amount and source; and certify that the application meets the eligibility thresholds of Benefit to Low-to-Moderate Income Persons and Threat to Health and Safety; and, if not for a community-wide benefit, the project will benefit a service-area that is primarily residential. “On behalf of” applications for a Public Utility, System, Cooperative or District, must indicated the application is ”on behalf of” and for whom in the Transmittal Letter.

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 CDBG grant funds.*  This summary should include the following:

* Describe the project – What is being proposed (i.e. what specific construction activites and at what locations will they occur) and why? What threat to health & safety is being addressed? 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 community-wide or service-area 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 the applicant’s source of water, who will treat wastewater, etc.).
* If an “on behalf of” application, indicate the Public Utility, System, Cooperative or District that the application is on behalf of.
* The degree to which present conditions affect public health and safety.
* The severity and immediacy of the problem.
* Whether the project is necessary to comply with state or federal regulations.
* Justification of the local government's need for CDBG assistance in relation to its overall financial capability, including discussion of outstanding indebtedness.

3. **Project Readiness Summary** – Each application must demonstrate that the proposed project is appropriate and achievable and that all actions have been completed to ensure timely implementation of the project. Each item below MUST be SPECIFICALLY addressed.

* IEPA permit(s) - Indicate Status of permit. If not applicable, an explanation is required;
* Right-of-Way - The community must have full control of the right-of-way either by having 100 percent of the necessary private property easements signed or a right-of-way docket. If eminent domain is required to execute a Private Property Easement as previously identified, proof of court approval of the eminent domain must be included in the application. Address the need for and current status of easements.
* Water/wastewater treatment agreement – If the applicant purchases wather then an agreement should be in place and a copy included in the application. If not applicable, an explanation is required;
* Property Ownership/Option To Purchase - Identify the ownership of any property needed to complete the project (including option to purchase); and verify that the project will be shovel-ready; Applicant must own the property or agreements must be in place and included as documentation in the grant application. If option to purchase is not necessary, an explanation is required;
* Additional funding commitment(s) – Address all additional funding commitments, in narrative form. If no additional funds will be committed, an explanation is required;
* Status of written permission from railroad(s), county highway commissioners, IDOT, etc. to proceed with any railroad and/or road borings that are proposed; If written permissions are not necessary for the completion of the project, an explanation is required.

F. **INCLUSIONS**

1. **Project Maps -** The following maps must be included in the application submission.

Please place maps larger than 8.5 x 11 inches at the back of the application, number them accordingly as to where they are located, and state those later page #’s on the map’s “Page Number” field of the Application Submission Checklist.

* **A project location map** must be included in the application. It is expected to be sufficiently detailed to show the following information: 1) specific boundaries of the project area; 2) all integral components of the system being improved or constructed, including water tower, well, pump stations, existing water/sewer mains, proposed water/sewer mains, flow schematics, etc.; 3) railroads, highways, interstates, towns/cities/villages (rural projects), county lines, and corporate limits. The project map must be suitable for reproduction and shall not exceed the page size of 11 x 17 inches. (Applicants may also submit blueprints or larger project maps as a supplement to their submission, if they deem necessary in order to show project details sufficiently.)
* **A FEMA issued Floodplain map** **must** be included in the application. You can obtain this map by calling FEMA at 1(800) 358-9616 or by using the website <https://msc.fema.gov>. The exact project location must be clearly drawn on the FEMA map included in the application.
* **An income survey map** (If conducting an income survey to document LMI in a project area) **must** be included in the application. The survey map must be a minimum of 11”x17”, and clearly identify/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, government facilities and miscellaneous structures including barns, sheds, and utility buildings)**.

The following Key must be used when identifying ALL structures in the project area:

🞦 High Income

★ Low Income

● Vacant

▲ No Response

■ Businesses, schools, churches, government facilities

⌧Miscellaneous structures (barns, sheds, and utility buildings)

If a multi-unit residential building (e.g., apartment complex, duplex, town home, retirement center/apartments, homeless supportive housing with independent kitchen/dining area), is located in the project area, it should be identified as such and the number of units indicated on the map. Those units should be included in the “number of households” within the project area.

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

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)

If a nursing home, college dormitory, or homeless shelter is located in the project area, it should be identified on the map, but not counted as a residential building, and a letter from the facility administrator included in the application. The letter may be obtained as documentation in lieu of surveying the residents individually. The letter must verify that the facility meets the HUD definition of a facility having a shared kitchen and dining facilities and must indicate the number of residents the facility accomodates. All of the residents are considered by HUD to be low income and would, therefore, be included in the survey results beginning on Line 14 of the Income Survey Worksheet. Please make a notation on the worksheet that this is being done. Retirement apartments, where residents have their own kitchens and dining areas, are not considered a "nursing home facility" and should be surveyed individually.

2. **Engineer’s Cost Estimate** (See Submission Checklist in Section III, Part J for placement.)

* Must be on company letterhead, include the date of the estimate and the engineer’s name.
* Must be less than one year old from the date the application is due.
* Must include a detailed breakdown of costs that match the costs contained in the CDBG Working Cost Estimate. Do not include any contract costs for which CDBG funds are not used. Costs must not be grossly-inflated.
* DO NOT include any Ineligible costs as identified in Section 3, Part B above, or miscellaneous, contingency, or otherwise unallocated costs.

1. **Fair Housing Resolution** – All applicants are required to pass a Fair Housing Resolution to affirmatively further fair housing; post Fair Housing Posters; and make HUD Fair Housing Complaint forms available to the public.

A copy of the Fair Housing Resolution must be submitted with the application.

G. **Application Review and Evaluation Process**

The screening and review process for the program is designed to ensure that limited CDBG funds are awarded to communities that demonstrate the need for financial assistance and have a well-designed project. The actual number and types of awards will be subject to funding availability and the amount of each applicant's request.

The Department will review all applications as follows:

* Applications will be evaluated according to the Ranking Criteria described in Section H of the application guide.
* In cases where projects have identical overall ratings, applications benefiting the highest number of LMI persons will be considered first for funding.
* The Department reserves the right to perform a site visit.
* The following applications will be deemed “Do Not Fund” (DNF), not reviewed further nor considered for funding:
  1. Applications for local governments that are not Grant Accountability and Transparency Act (GATA) registered and pre-qualified on the GATA Portal at <https://gata.illinois.gov> on the application due date.
  2. Applications that do not meet the Citizen Participation requirements as outlined in Section II of the Guidebook.
  3. Applications that do not clearly demonstrate and document 51.0 percent low-to-moderate income benefit to persons in the project area.
  4. Applications that do not clearly demonstrate and document a threat to health and safety.
  5. Applications in which the local government’s Water or Sewer (whichever is applicable to the project) rate does not currently meet or exceed 1 percent of the Median Household Income (MHI) per 5,000 gallons.
  6. Applications in which the Private Property Easements form, indicating 100% signed, or a Right-of-Way Docket is not submitted, or if the necessity of easements is not addressed. If eminent domain is required to execute a Private Property Easement as previously identified, proof of court approval of the eminent domain must be included in the application or the project will be deemed “Do Not Fund”.
  7. Applications for projects that have both a community-wide and a project-area benefit or that have multiple activity codes.
  8. Applications for projects that appear to primarily benefit a business/commercial district.
  9. Applications in which the Chief Elected official did not sign all appropriate documents as the Authorized Representative.
  10. Applications that contain forged or altered signatures or dates or in which non-CDBG forms are used.
  11. Applications that have the following errors in relation to the Engineer’s Cost Estimate:
      1. Engineer’s cost estimate not contained in application;
      2. Engineer’s cost estimate not on company letterhead without engineer’s name or not dated;
      3. Engineer’s cost estimate does not include a detailed breakdown of costs;
      4. Engineer’s cost estimate contains grossly-inflated costs.
      5. Engineer’s cost estimate more than one year old from the application due date

All recommendations are forwarded to the Director of the Department who makes the final funding decisions. All decisions will be based on the general distribution of funds in Section I of the CDBG Guidebook.

H. **RANKING CRITERIA**

Projects will be evaluated according to the criteria noted below.

1. **Opportunity Zones**: Illinois has 327 designated opportunity zones, all of which are low-income communities. To further encourage the investment in and vitality of these communities, three (3) points will be given to applicant communities with projects located within opportunity zones. For more information on Opportunity Zones, please see: <https://dceo.illinois.gov/oppzn.html>

Opportunity Zone = 3 Points

1. **DCEO Underserved Area**: An “underserved area” is a census tract which meets one of the following four tests.

* Poverty rate of at least 20%; or
* 35% or more of the families with children in the area are living below 130% of the poverty line, according to the latest American Community Survey; or
* At least 20% of the households in the area receive assistance under the Supplemental Nutrition Assistance Program (SNAP); or
* Average unemployment rate that is more than 120% of the national unemployment average, for a period of at least two (2) consecutive calendar years preceding the date of the application.

Applicant communities with projects located within a designated underserved area will receive two (2) points. For more ‘information and to identify an underserved area, please see: <https://dceo.illinois.gov/expandrelocate/incentives/underservedareas.html>

Underserved Area = 2 Points

1. **Project Impact/Per Capita Cost:** In order to maximize the number of beneficiaries, points will be assigned according to the **grant funds requested per person served**. A maximum of ten points will be assigned to projects requesting $1,000 or less per person served. No points will be assigned to projects requesting $5,000 or more per person. Points will be assigned as follows:

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Per Capita Cost** | | |  | **Points** | | |
| $0 | - | $1,000.99 | .…… | | 10 | |
| $1,001.00 | - | $1,250.99 | .……. | | | 9 |
| $1,251.00 | - | $1,500.99 | .……. | | | 8 |
| $1,501.00 | - | $1,750.99 | .……. | | | 7 |
| $1,751.00 | - | $2,000.99 | .……. | | | 6 |
| $2,001.00 | - | $2,500.99 | .……. | | | 5 |
| $2,501.00 | - | $3,000.99 | .……. | | | 4 |
| $3,001.00 | - | $3,500.99 | .……. | | | 3 |
| $3,501.00 | - | $4,000.99 | .……. | | | 2 |
| $4,001.00 | - | $4,999.99 | .……. | | | 1 |
| $5,000.00 Plus | | | .……. | | | 0 |
|  | | |  | | |  |

1. **Additional Funding**: Additional points will be assessed for communities contributing other construction funding toward the completion of the proposed project. A maximum of 10 points will be assigned to projects contributing 60% or more of the total construction costs. No points will be assigned to projects contributing less than 10% of the total construction costs. The breakout is as follows:

|  |  |
| --- | --- |
| **POINTS** | **Percentage of Total Construction Costs Contributed** |
| **1** | At least 10% and up to 19.9 % of Total Construction Costs |
| **2** | At least 20% and up to 29.9 % of Total Construction Costs |
| **4** | At least 30% and up to 39.9 % of Total Construction Costs |
| **6** | At least 40% and up to 49.9 % of Total Construction Costs |
| **8** | At least 50% and up to 59.9 % of Total Construction Costs |
| **10** | At least 60% or over of Total Construction Costs |

No points will be assessed if all appropriate documentation (outlined in Section 3, Part D) is not included.

1. **Threat to Health & Safety/Urgency (25 percent of overall score):** The degree to which present conditions affect public health and safety, and the severity and immediacy of the problem **must be demonstrated in the documentation**. Points received will be allocated on the following criteria **(maximum 25 points)**. **No points will be allocated if proper documentation is not included in the application**. See C2 of the Guidebook for examples.
   * **Imminent threat of entire system failure** (25 points)

*Example:*

* + - Well pumps broken and parts are no longer manufactured; using stand by pumps.
    - Court order (must be directly related to the project)
    - Consent decree
    - Raw sewage in water source
    - Consistent, systematic water pressure less than 20 PSI (not related to breaks)
  + **Imminent failure in a specific area** that does not affect the entire system, but does have a negative impact on a portion of the system, and which **will result in total failure, or a complete interruption in service,** if not addressed. (20 points)

*Example:*

* + - Same as above, but in a service area
    - Collapsed Water/Sewer Line
  + **Project should be completed as soon as possible** (15 points)

*Example:*

* + - Radon found in water supply.
    - Serious IEPA violation/s (must be directly related to the project)
    - Collapsed sewer line
    - Excessive water main breaks or boil orders (10+ within 6 months)
    - Large percentage of private wells containing coliform (75-100% of sampling)
    - Leaky water tower that is affecting water pressure
  + **Project is not urgent, but needs to be completed in short term** (10 points)

*Example:*

* + - Private wells having unacceptable levels of coliform (50-75% of sampling)
    - Frequent water main breaks or boil orders (2-9 within one year)
    - EPA non-compliance letter (must be directly related to the project)
    - Infill and inflow into sewers
    - Water pressure less than 20 PSI (depending on severity)
    - Leaky water tower
  + **Project can be completed in the next few years** (5 points)

*Example:*

* + - Over-utilized water source
    - Low water pressure (but higher than 20 psi)

1. **Project Readiness (50 percent of overall score)**: Each application must demonstrate that the proposed project is appropriate and achievable and that all actions required have been completed to ensure timely implementation of the project. If the application is funded, any action not completed at the time of application will be included in the Notice of State Award Finalist (NOSAF) as a special grant condition. All applicants will start with the **maximum 50 points**. If any actions are not completed, deductions will be made on the following requirements:
   * A copy of a current (dated within five years) IEPA construction permit must be submitted. If not submitted, copy of just the application only, its more than 5 years old, or no indication of its necessity, -20 points.
   * Communities must demonstrate their capability to manage current CDBG projects and that they are progressing in a timely manner.

The average draw rate of existing CDBG grants for the Applicant is:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| 0% | - | 20% | drawn | (-20 points) |
| 21% | - | 40% | drawn | (-15 points) |
| 41% | - | 60% | drawn | (-10 points) |
| 61% | - | 80% | drawn | ( -5 points) |

* + If applicable, a copy of an executed agreement for the purchase of water or wastewater treatment, signed and dated by all parties, must be in place. If not included, not addressed, or unclear, -10 points.
  + If applicable, a valid copy of an option to purchase land. (Option must include price, date option expires and seller’s signature). If not submitted, not addressed, or unclear, -10 points.
  + Copy of Project Location Map. If not submitted or if the project activities are not clearly drawn on the project map, -5 points.
  + Copy of Floodplain Map indicating project location(s). If not submitted, or the project is not drawn on the map, -5 points.
  + Working Cost Estimate must add correctly and include only eligible costs from the Engineer’s Cost Estimate. If addition errors, or contains ineligible costs, -5 points.
  + The percentage goal for minority contractors must meet or exceed the percentage of minorities residing in the project’s community. (Information to be provided on the Minority Benefit/Affirmative Housing Statement contained in Section III, Part J). If the form is incomplete, not included, or the minority percentage is not met, -2 points.
  + Fair Housing Resolution - A Fair Housing Resolution must be adopted/in place. If not included, -5 points.

**Deductions Made for Clerical Errors:** Applications will receive a 5-point deduction in the area of Project Readiness for each of the following situations, deficiencies: (-5 each)

* + Inconsistencies exist throughout the application. Examples:
    1. The cover letter indicates “sewer project” and the summary indicates water project extension.
    2. Narrative information is for “Community A” when the application is submitted for “Community B”).
    3. The project costs or total funds requested differ between the cover letter, Working Cost Estimate, Engineer’s cost estimate, and the project information form.
  + The project summary is vague and the reviewer cannot determine what the project is or how the problem will be addressed and/or the project completed.
  + Forms are not completed in their entirety, i.e., missing dates, signatures, general contact information, etc.
  + The FEIN, UEI #, or other identifying codes contained in the application are not assigned to the applicant or responsible entity.
  + The “Copy” file required for application submission does not contain all documents as the “Original.”
  + The application contains evidence of pre-scoring.

I. **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](http://www.grants.illinois.gov) and be pre-qualified prior to submitting an application. Applications submitted by communities who have not registered, been pre-qualified, or completed the ICQ for the current year **will not be considered for review**.

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

* **State of Illinois Uniform Grant Application**

Available at: <https://dceo.illinois.gov/communitydevelopment.html> Uniform Grant Application – Program Matters Contact Information should contain the grant writer’s contact information; Business/Administrative Matters Contact Information should contain the contact information of the person fiscally responsible for the grant (clerk, Treasurer, etc.); and information on the Authorized Representative must be the Chief Elected Official, who must also sign the application.

* **State of Illinois Uniform Budget Template**

Available at: <https://dceo.illinois.gov/communitydevelopment.html>. Uniform Budget must match the CDBG Working Cost Estimate and the Engineer’s Cost Estimate.

* **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.

* **W-9 Form**

Include a completed W-9 form. The name of the entity must exactly match the name indicated on the IRS certification letter, and the W-9 must be the most current issued (<https://www.irs.gov/pub/irs-pdf/fw9.pdf>).

* **SAM Registration/UEI (Unique Entity ID) #**

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](http://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.  **UEI** numbers provide a standardized method of identifying a given facility at a specific location. **This documentation, for the applicant, must be submitted with the application.**

All applicants should complete the application package and submit an original and copy of all requested material to the Department’s **Springfield** Office at:

**In Person:**

Illinois Department of Commerce and Economic Opportunity

Office of Community Development

1 West Old State Capitol (known as the Myers Building)

2nd Floor

Springfield, IL 62701

**Or mailed to:**

Illinois Department of Commerce and Economic Opportunity

Office of Community Development

607 East Adams

3rd Floor

Springfield, IL 62701

Applications must be received by **Thursday, January 18, 2024**, **no later than** **5:00 p.m.** Facsimile and e-mailed submissions will **not** be accepted.

**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. State those later page #’s for oversized pages in the related item’s “Page Number” field on the Application Submission Checklist page.
* Contained in two brown legal-size (will accommodate 8½” x 14” papers), open-top (no foldovers with cords or ties) expandable folders

(One marked “original,” and one marked “copy”)

* Brown legal size folders are to be 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
* Grant Year & Type of Grant
* Original or Copy

For Example:

VILLAGE OF ABRACADABRA

2023/2024 Public Infrastructure

Original

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

**Submit the original and one complete copy.** *Please clearly label the original***.**

**SECTION III**

**PUBLIC INFRASTRUCTURE**

**J. APPLICATION FORMS**

*Template*

**LETTER OF TRANSMITTAL**

*This information must be transferred to the Applicant Community’s Official Letterhead*

Date

Director's Office

Illinois Department of Commerce and Economic Opportunity

607 East Adams

Springfield, Illinois 62701

Dear Director:

The (name of local government) is submitting an application for a public infrastructure grant under the Community Development Block Grant (CDBG) program. The grant request is in the amount of $(dollars) to be used to (use of funds). The benefit to low-to-moderate income individuals is (LMI)%. The (name of local government) will contribute $(dollars) from (source of funds) toward the completion of the project. (*If applicable* – This application is being submitted on behalf of (rural water system or cooperative, water or sanitary district, or an unincorporated area).

I certify that this application meets the eligibility thresholds of Benefit to Low-to-moderate Income Persons, Threat to Health and Safety and that the community meets the required water or sewer rate. Further, if not proffering a community-wide benefit, this project will benefit a service-area that is primarily residential.

Very truly yours,

(Signature of Chief Elected Official)

**CDBG Public Infrastructure 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. (‚)

Both the original grant application (*indicate "original" on the cover*) and a complete copy (*indicate “copy” on the cover*) of the grant application must be submitted. See Section III I for submission information.

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 VII) \_\_\_\_\_\_

\_\_\_\_ CDBG Applicant Project Information \_\_\_\_\_\_

\_\_\_\_ Project Summary (See Section III E) \_\_\_\_\_\_

\_\_\_\_ Project Readiness Summary (See Section III E) \_\_\_\_\_\_

\_\_\_\_ FEMA Issued Floodplain Map (See Section III F) \_\_\_\_\_\_

\_\_\_\_ Project Maps (See Section III F ) \_\_\_\_\_\_

\_\_\_\_ State of Illinois Uniform Budget Template (See Section VII) \_\_\_\_\_\_

\_\_\_\_ Public Infrastructure – Working Cost Estimate \_\_\_\_\_\_

\_\_\_\_ Engineer’s Cost Estimate (See Section III F ) \_\_\_\_\_\_

\_\_\_\_ Private Property Easements or Right-of-Way Docket (See Section III H ) \_\_\_\_\_\_

\_\_\_\_ LMISD Area Benefit Printout(s) (See Section III C) \_\_\_\_\_\_

\_\_\_\_ Low-to-Moderate-Income Blending Worksheet, if applicable (See Section III C) \_\_\_\_\_\_

\_\_\_\_ Analysis of Low-to-Moderate Benefit (See Section III C) \_\_\_\_\_\_

\_\_\_\_ Low-to-Moderate Income Survey Summary, if applicable (See Section III C) \_\_\_\_\_\_

\_\_\_\_ Income Survey Worksheet, if applicable (See Section III C) \_\_\_\_\_\_

\_\_\_\_ Income Survey Map, if applicable (See Section III F) \_\_\_\_\_\_

\_\_\_\_ Minority Benefit/Affirmative Housing Statement (In Section VII) \_\_\_\_\_\_

\_\_\_\_ CDBG Community Need/Project Benefit Determination (See Section III H) \_\_\_\_\_\_

DOCUMENTATION, CERTIFICATIONS, RESOLUTIONS

**Citizen Participation: 7-Day Notice/Public Hearings (See Section IIC, Sample In Section VII)**

\_\_\_\_ Newspaper clipping, \_\_\_\_\_\_

\_\_\_\_ Publisher’s certification \_\_\_\_\_\_

\_\_\_\_ Certified minutes \_\_\_\_\_\_

\_\_\_\_ Attendance sheet(s) \_\_\_\_\_\_

\_\_\_\_ Council Resolution of Support **or** Resolution of Support and Commitment of Local Funds \_\_\_\_\_\_

(Template in Section VII) (*If using local funds, you MUST indicate the account the funds are in)*

\_\_\_\_ Local Government Certifications (In Section VII) \_\_\_\_\_\_

\_\_\_\_ Mandatory Disclosures (In Section VII) \_\_\_\_\_\_

\_\_\_\_ Conflict of Interest Disclosure (In Section VII) \_\_\_\_\_\_

\_\_\_\_ Intergovernmental Cooperation Agreement, if applicable (In Section VII) \_\_\_\_\_\_

ATTACHMENTS

\_\_\_\_ Health & Safety Documentation (See Section III C) \_\_\_\_\_\_

\_\_\_\_ Firm documentation of commitment from other funding source(s) (See Section III D) \_\_\_\_\_\_

\_\_\_\_ Copy of IEPA Construction Permit(s) (See Section III H ) \_\_\_\_\_\_

\_\_\_\_ Copy of water purchase or wastewater treatment agreement (if applicable) (See Section III H ) \_\_\_\_\_\_

\_\_\_\_ Copy of Option to Purchase (if applicable) (See Section III H ) \_\_\_\_\_\_

\_\_\_\_ Fair Housing Ordinance/Resolution (See Section III F) \_\_\_\_\_\_

\_\_\_\_ W-9 (See Section III I ) \_\_\_\_\_\_

\_\_\_\_ SAM Registration (UEI #) (See Section III I ) \_\_\_\_\_\_

\_\_\_\_ IRS Certification Letter (See Section III I ) \_\_\_\_\_\_

\_\_\_\_ GATA Registration Printout (See Section III I ) \_\_\_\_\_\_

\_\_\_\_ Oversized Maps (if applicable) \_\_\_\_\_\_

**STATE OF ILLINOIS – DCEO UNIFORM GRANT APPLICATION**

*(See Section VII for Form Information)*

**CDBG APPLICANT PROJECT INFORMATION**

**PUBLIC INFRASTRUCTURE**

***Type of Project (see Section III A for definitions)***

***03I Flood & Drainage Improvements (includes storm sewers)***

***03Jw Water Improvements***

***03Js Sewer Improvements***

|  |  |
| --- | --- |
| ***If this project is “on behalf of” another entity, name of entity:*** |  |

1. **PROJECT BENEFIT INFORMATION -** Provide the following for **all** Public Infrastructure projects:

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | Census - HUD LMISD Area |  | Community Wide Survey |  | Service-Area Survey |

**CENSUS TRACT(s) and /BLOCK GROUP NUMBER(s) – Use additional sheet, if necessary.**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  |  |  |  |  |  |
|  |  |  |  |  |  |
|  |  |  |  |  |  |
|  |  |  |  |  |  |
|  |  |  |  |  |  |
|  |  |  |  |  |  |

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| TOTAL NUMBER  OF PERSONS SERVED |  | TOTAL NUMBER  OF LMI PERSONS SERVED |  | PERCENT BENEFIT  TO LMI PERSONS |
|  |  |  |  |  |

**PROJECT LOCATION (Adress of a building within the project benefit area):**

|  |
| --- |
|  |

**The project location will be utilized to verify inclusion in an an opportunity zone and/or DCEO underserved area.**

**II. APPLICANT INFORMATION**

|  |  |  |
| --- | --- | --- |
| Business Phone Number |  | |
| Business E-mail |  | |
| Fiscal Year End Date | MM | / DD |

**III. APPLICATION WRITER**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| First Name |  | | | |
| Last Name |  | | | |
| Title |  | | | |
| Agency Name |  | | | |
| Agency Type |  | | | |
| Mailing Address |  | | | |
| Telephone |  | | Email |  |
| Federal Employer Identification Number | |  | | |
| RACF ID Number | |  | | |

**IV. PROJECT ENGINEER**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| First Name |  | | | |
| Last Name |  | | | |
| Title |  | | | |
| Agency Name |  | | | |
| Agency Type |  | | | |
| Mailing Address |  | | | |
| Telephone |  | | Email |  |
| Federal Employer Identification Number | |  | | |

**PROJECT SUMMARY**

*(See Section III E)*

**PROJECT READINESS SUMMARY**

*(See Section III E)*

**FEMA ISSUED FLOODPLAIN MAP**

*(See Section III F)*

**PROJECT MAPS**

*(See Section III F )*

**STATE OF ILLINOIS – UNIFORM BUDGET TEMPLATE**

*(See Section VII for Form Information)*

**PUBLIC INFRASTRUCTURE**

**WORKING COST ESTIMATE**

*The CDBG Working Cost Estimate should include all funding used to complete the eligible HUD-defined construction activity. The CDBG Working Cost Estimate should include any contract that is paid, in part or in full, with CDBG grant funds. Do not include any contracts for which CDBG funds are not used.*

If other funds are necessary to finance the construction contract, identify all activities included within the project and the amount and source of financing. Each activity included in the project must contribute to the benefit of low-to-moderate income persons. CDBG funds can be used only to finance construction activities related to the HUD-defined activity codes indicated in the table below. For infrastructure projects involving alterations of streets, roads or highways which have pedestrian walkways, applicants must factor in the costs of adding and/or replacing curb ramps at all intersections having curbs or other barriers to entry from a street level or pedestrian walkway. If the proposed project involves extending service to a new area, the low-to-moderate income household connections should be detailed as a separate line item.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Activity Budget** | **Total Amount** | **CDBG**  **Request** | **Other**  **Funds** | **Identify Other Source(s)** |
| **03Jw Water Improvements** |  |  |  |  |
| LMI Connections |  |  |  |  |
| **03Js Sewer Improvements** (incl. storm sewers & combined sewer separations) |  |  |  |  |
| LMI Connections |  |  |  |  |
| **03I Flood Drainage Improvements** (i.e., retention ponds or catch basins) |  |  |  |  |
| **Total Construction** |  |  |  |  |
| Activity Delivery (up to $35,000) |  |  |  |  |
| 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 activities ineligible for CDBG funding.

**ENGINEER’S COST ESTIMATE**

*(See Section III F )*

**PRIVATE PROPERTY EASEMENTS**

|  |  |
| --- | --- |
| **Total Number of Easements Needed** |  |
| **Total Number of Easements Signed** |  |
| **Percentage of Easements Signed\*** |  |

\*If less than 100 percent of necessary easements are signed or a Right-of-Way docket is not provided, the project will be deemed “Do Not Fund”.

|  |  |  |
| --- | --- | --- |
| **Name** | **Address** | **Easement Signed** |
| *Jane Doe – SAMPLE –* | *123 Main Street* | *X* |
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**LMISD AREA BENEFIT PRINTOUT(S)**

**LOW-to-MODERATE INCOME BLENDING WORKSHEET**

**(To Be Used to Blend LMI Data from Multiple HUD Census Geographies and/or LMI Surveys)**

**Complete One Set of Fields for Each Block Group of a Census Tract (or Census Place) Covered by Proposed Project**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Source 1** | |  | **Source 2** | |
| Place Name or Group/Tract# |  |  | Place Name or Group/Tract# |  |
| County |  |  | County |  |
| State | 17 (Illinois) |  | State | 17 (Illinois) |
| LOWMOD Persons |  |  | LOWMOD Persons |  |
| LOWMOD Universe |  |  | LOWMOD Universe |  |
|  | |  |  | |
| **Source 3** | |  | **Source 4** | |
| Place Name or Group/Tract# |  |  | Place Name or Group/Tract# |  |
| County |  |  | County |  |
| State | 17 (Illinois) |  | State | 17 (Illinois) |
| LOWMOD Persons |  |  | LOWMOD Persons |  |
| LOWMOD Universe |  |  | LOWMOD Universe |  |

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Source 5** | |  | **Source 6** | |
| Place Name or Group/Tract# |  |  | Place Name or Group/Tract# |  |
| County |  |  | County |  |
| State | 17 (Illinois) |  | State | 17 (Illinois) |
| LOWMOD Persons |  |  | LOWMOD Persons |  |
| LOWMOD Universe |  |  | LOWMOD Universe |  |
| **Total LOWMOD Persons:** |  |  | **Total LOWMOD Universe:** |  |

**Blended LMI Calculation:**

**Total LOWMOD Persons: \_\_\_\_\_\_\_\_\_\_\_\_\_ ÷ Total of LOWMOD Universe: \_\_\_\_\_\_\_\_\_\_\_\_ × 100**

**= Combined LMI Percentage of Entire Proposed Project Area: \_\_\_\_\_\_\_\_\_\_%** **(two decimal points)**

**ANALYSIS OF BENEFIT TO LOW-TO-MODERATE INCOME PERSONS**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Activity\* | Total # of Persons Activity Will Serve  *(Survey Worksheet – Line 16)* | # of Low - Moderate Income Persons Activity  Will Serve *(Survey Worksheet – Line 14)* | % of Persons Served who have Low - Moderate Income  *(Survey Worksheet – Line 17)* | Amount of CDBG Funds Requested for the Activity | Amount of CDBG Funds to Benefit Low - Moderate Income Persons |
|  |  |  |  |  |  |
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**Methodology**

Please check the appropriate box below.

1. [ ] U. S. Census Data calculated by HUD (LMISD):

2. [ ] Community/Service-Area Income Survey: The entire (100%) population of the community or service area must be surveyed with a minimum 75% usable survey response rate.

\*Each major activity should be detailed separately when the number of persons benefiting varies from activity to activity. Low-to-moderate income connections would be an example of an activity that should be detailed separately.

**Applicant Name: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

**LOW-TO-MODERATE INCOME SURVEY**

**SUMMARY**

This summary form must be completed by all applicants undertaking an income survey to determine low-to-moderate income (LMI) benefit. Include the appropriate Survey Worksheets.

Income surveys must be completed after the deadline for the previous round of funding. Surveys completed prior to January 20, 2023 will not be accepted. All surveys must include the address but the name or signature of the occupant is not necessary. All income survey must be reviewed, signed and dated by the reviewer.

|  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 1. | Date(s) Survey Data Collected: | | | | | | |  | | |
|  |  | | | | | | |  | | |
| 2. | Survey Type: | | |  | | All (100%) of Community | | |  |  |
|  |  | | |  | | All (100%) of Service Area | | |  |  |
| **Community Wide/Service Area Survey** | | | | | | | | | | |
| 3. | Are the completed survey questionnaires on file with the applicant? | | | | | | | | | |
|  |  | Yes |  | | No | | If “No,” please explain: | | | |
|  |  | | | | | | | | | |
|  |  | | | | | | | | | |
| 4. | Indicate who conducted the survey and how it was conducted (e.g., door-to-door, mailing): | | | | | | | | | |
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Applicant Certification:

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Signature of Authorized Official Date

Applicant: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Date(s) survey conducted: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Survey Type: \_\_\_\_ All (100%) of Community \_\_\_\_ All (100%) of Service Area

**INCOME SURVEY WORKSHEET**

**USE TO CALCULATE LOW-TO-MODERATE INCOME (LMI) PERCENTAGE**

**USING HUD CDBG INCOME GUIDELINES**

FOR DCEO USE ONLY

This form is to be used for ALL income surveys.

**PART A. INFORMATION CONTAINED IN YOUR SURVEY *(2 decimals)***

1. Enter the established total number of households in the service area. 1. . \_\_\_\_\_\_

2. Enter the total number of households interviewed (**valid responses**). 2. . \_\_\_\_\_\_

3. Enter the total number of low-to-moderate income households 3. . \_\_\_\_\_\_

interviewed.

4. Enter the total number of persons living in the low-to-moderate 4. . \_\_\_\_\_\_

income households interviewed.

5. Enter the total number of households interviewed in which the 5. . \_\_\_\_\_\_

income was above the low-to-moderate income level.

6. Enter the total number of persons living in the households in 6. . \_\_\_\_\_\_

which the income was above the low-to-moderate income level.

**PART B. CALCULATIONS BASED ON DATA CONTAINED IN SURVEY**

7. If a Community-wide/service-area wide survey was conducted,

divide line 2 by line 1. (This is the survey response rate. It 7. . \_\_\_\_\_\_

should equal or exceed 75.0 percent.)

8. Divide Line 4 by Line 3. (This is the average size of the LMI 8. . \_\_\_\_\_\_

households you interviewed.)

9. Divide Line 6 by Line 5. (This is the average size of the non-LMI 9. . \_\_\_\_\_\_

households you interviewed.)

10. Divide Line 3 by Line 2. (This is the proportion of households 10. . \_\_\_\_\_\_

interviewed that have low-to-moderate incomes.)

11. Divide Line 5 by Line 2. (This is the proportion of households 11. . \_\_\_\_\_\_

interviewed that do not have low-to-moderate incomes.)

12. Multiply Line 1 by Line 10 (This is the estimate of the total 12. . \_\_\_\_\_\_

number of LMI households in your service area.)

FOR DCEO USE ONLY

13. Multiple Line 1 by Line 11. (This is the estimate of the total 13. . \_\_\_\_\_\_

number of non-LMI households in your service area.)

14. Multiply Line 8 by Line 12. (This is the estimate of the total 14. . \_\_\_\_\_\_

number of LMI persons in your service area.)

15. Multiply Line 9 by Line 13. (This is the estimate of the total 15. . \_\_\_\_\_\_

number of non-LMI persons in your service area.)

16. Add Line 14 and Line 15. (This is the estimate of the total 16. . \_\_\_\_\_\_

number of persons in your service area.)

17. Divide Line 14 by Line 16, and multiply the resulting decimal 17. . \_\_\_\_\_\_

by 100. (This is the estimated percentage of persons in your

service area who have low-to-moderate incomes).

**PART C. INSTRUCTIONS AND EXPLANATIONS**

1. Round all numbers to two decimal places (XX.XX)

2. Line 1 should equal the total number of households identified as low income, high income, and no response.

3. When you are completing Part A, be sure that the answers are logical. For example, the number on Line 4 cannot be smaller than the number on Line 3 (because every household must have at least one person.) Similarly, the number on Line 6 cannot be less than the number on Line 5. Also note that the number on Line 3 plus the number on Line 5 should equal the number on Line 2 -- every household is either low-to-moderate or it is not.

4. Some examples for Part B. For purposes of illustration, assume that you estimated that the service area contained 650 households (Line 1). Assume that you conducted the survey and interviewed 250 households (Line 2), of whom 130 had low-to-moderate incomes (Line 3). These low-to-moderate income households contained 450 persons (Line 4). The 120 households with incomes over the low-to-moderate incomes (Line 5) contained 400 persons (Line 6.). You would complete Part B as follows:

Line 8 If the households you interview contained 450 low-to-moderate persons in 130 households, the number on Line 8 would be about 3.46 (450/130).

Line 9 If the households you interviewed contained 400 non-low-to-moderate persons in 120 households, the number on Line 9 would be about 3.33 (400/120).

Line 10 If you interviewed a total of 250 households, 130 of which had low-to-moderate incomes, the number on Line 10 would be about .52 (130/250)

Line 11 If 120 of the 250 households interviewed did not have low-to-moderate incomes, the number on line 11 would be about .48 (120/250)

Line 12 If your service area contained an estimated 650 households, and you interviewed 250, of which 130 had low-to-moderate incomes, the number on Line 12 would be about 338 (650 X .52).

Line 13 Continuing with the example, Line 13 would be about 312 (650 X .48).

Line 14 3.46 persons per LMI household times 338 LMI households -- Line 14 would be about 1,169.

Line 15 3.33 persons per non-LMI household times 312 non-LMI households -- Line 15 would be about 1,039.

Line 16 Total LMI persons (1,169) plus total non-LMI persons (1,039) -- Line 16 would be about 2,208 estimated total persons.

Line 17 1,169 LMI persons divided by 2,208 total persons yields about .5294. Multiplied by 100, this gives an estimate that 52.94 percent of the residents have low-to-moderate incomes.

NOTE: If a nursing home, college dormitory, or homeless shelter is located in the project area, it should be identified on the map, but not counted as a residential building, and a letter from the facility administrator included in the application. The letter may be obtained as documentation in lieu of surveying the nursing home residents individually. The letter must verify that the facility meets the HUD definition of a facility having a shared kitchen and dining facilities and must indicate the number of residents the facility accommodates. All of the residents are considered by HUD to be low income and would, therefore, be included in the survey results beginning on Line 14 of the Income Survey Worksheet. Please make a notation the worksheet that these residents are being included. Retirement apartments, where residents have their own kitchens and dining areas, are not considered a "nursing home facility" and should be surveyed individually.

**INCOME SURVEY MAP (if applicable)**

*(See Section IIIF)*

**MINORITY BENEFIT/AFFIRMATIVE HOUSING STATEMENT**

*(See Section VII for Form)*

**CDBG COMMUNITY NEED/PROJECT BENEFIT DETERMINATION**

Please provide the following information relative to the project for which CDBG funds are being requested:

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| a | Total Project Cost: | | $ | | | | | | |  | | |  | | | |  |
| b | CDBG Grant Requested: | | $ | | | | | | |  | | |  | | | |  |
| c | Total # of Persons Served: | | # | | | | | | |  | | |  | | | |  |
| d | Line b divided by Line c | | $ | | | | | | | (cost per capita) | | |  | | | |  |
| e | Monthly charge for 5,000 gallons of water and 5,000 gallons of sewage treatment | | | | | | | | | | | | | | | | |
|  | Water Charge | $ | | | | | | /5,000 gallons | | | | |  | | | |  |
|  | Sewer Charge | $ | | | | | | /5,000 gallons | | | | |  | | | |  |
|  | If actual rates are not available, please provide PROJECTED rates.  (If water/sewer billed in cubic feet, provide the cost based upon 669 cubic feet.) | | | | | | | | | | | | | | | | |
|  | Provide dates of most recent rate changes | | | | | | | | | | | | | | | | |
|  | Water rate change: | / | | / | | |  |  | | | | | | | | | |
|  | Sewer rate change: | / | | / | | |  |  | | | | | | | | | |
| f | Population according to the most recent Census. Please identify the Census year: \_\_\_\_\_\_\_\_\_\_\_\_ | | | | | | | | | |  | | |  | | | |
| g | Provide both figures even though your application applies to only one | | | | | | | | | | | | | | | | |
|  | Current number of water and sewer accounts: | | | | | | | | | | | | | | | | |
|  | Total Water Accounts: | | | |  | | | Total Sewer Accounts: | | | | | | |  | | |
|  | Residential Water Accounts: | | | |  | | | Residential Sewer Accounts: | | | | | | |  | | |
|  | Estimated number of NEW residential water and sewer accounts: | | | | | | | | | | | | | | | | |
|  | New Residential Water Accounts: | | | | |  | | |  | | | | | | |  | |
|  | New Residential Sewer Accounts | | | | |  | | |  | | | | | | |  | |
|  | Total Customers Outside Corporate Limits: | | | | | | |  | | | |  | | | | | |
|  | Residential Customers Outside Corporate Limits: | | | | | | | | |  | |  | | | | | |

**PUBLIC HEARING NOTICE**

*(See Section VII for Sample)*

**NEWSPAPER CLIPPING**

*(See Section II C)*

**PUBLISHER’S CERTIFICATION**

*(See Section II C)*

**CERTIFIED MINUTES**

*(See Section II C)*

**ATTENDANCE SHEET(S)**

*(See Section II C)*

**COUNCIL RESOLUTION OF SUPPORT**

*(See Section VII for Template)*

**LOCAL GOVERNMENT CERTIFICATIONS**

*(See Section VII for Form)*

**MANDATORY DISCLOSURES**

*(See Section VII for Form)*

**CONFLICT OF INTEREST DISCLOSURE**

*(See Section VII for Form)*

**INTERGOVERNMENTAL COOPERATION AGREEMENT**

*(See Section VII for Form if Applicable)*

**HEALTH & SAFETY DOCUMENTATION**

*(See Section III C)*

**FIRM DOCUMENTATION OF COMMITMENT FROM**

**OTHER FUNDING SOURCE(S)**

*(See Section III D)*

**COPY OF IEPA CONSTRUCTION PERMIT(S)**

*(See Section III H )*

**COPY OF WATER PURCHASE or**

**WASTEWATER TREATMENT AGREEMENT (if applicable)**

*(See Section III H )*

**COPY OF OPTION TO PURCHASE (if applicable)**

*(See Section III H )*

**FAIR HOUSING ORDINANCE/RESOLUTION**

*(See Section III F )*

**W-9**

*(See Section III I )*

**SAM REGISTRATION (UEI #)**

*(See Section III I )*

**IRS CERTIFICATION LETTER**

*(See Section III I )*

**GATA REGISTRATION PRINTOUT**

*(See Section III I )*

**OVERSIZED MAPS (if applicable)**