

State of Illinois Uniform Notice of Funding Opportunity (NOFO)
Summary Information

Awarding Agency Name	Commerce And Econ Opp
Agency Contact	Wendy Bell (wendy.bell@illinois.gov)
Announcement Type	Initial
Type of Assistance Instrument	Grant
Funding Opportunity Number	FY27-1
Funding Opportunity Title	Community Development Block Grant Community Revitalization Program
CSFA Number	420-75-4025
CSFA Popular Name	CDBG Community Revitalization
Anticipated Number of Awards	20
Estimated Total Program Funding	\$13,000,000
Award Range	\$250000 - \$2000000
Source of Funding	Federal
Cost Sharing or Matching Requirements	No
Indirect Costs Allowed	No
Restrictions on Indirect Costs	Yes : The CFDA Number for these awards is 14.228, which exempts the grants from the indirect cost requirements of 2 C.F.R. Part 200, pursuant to 2 C.F.R. § 200.101(d)(1). Alternatively, we allow our grantees to charge Activity Delivery up to a set amount. Activity Delivery Costs are eligible as part of the cost of carrying out CDBG activities authorized under 24 CFR 570.201-570.204. HUD Notice CPD-16- 04 also covers Indirect Costs and Activity Delivery, and notes that “activity delivery costs are those included in the costs of carrying out an activity. This term typically refers to costs that may include both direct and indirect components and, thus, apply more broadly than indirect costs. Deviation has been approved.
Posted Date	06/15/2026
Application Date Range	General announcement open for a period of time with no specific due dates for applications.
Grant Application Link	Please select the entire address below and paste it into the browser... https://dceo.illinois.gov/aboutdceo/grantopportunities/4025-4300.html
Technical Assistance Session	Offered : Yes Mandatory : No Date : 06/23/2026 : 1:00 PM Registration link : https://illinois.webex.com/illinois/j.php?MTID=m3047036c04552aa45aee26098e169c5e

Agency-specific Content for the Notice of Funding Opportunity

Community Development Block Grant Community Revitalization

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For information about grants please visit:
<https://dceo.illinois.gov/dceo-grants.html>

A. Program Description

Notice of Funding Opportunity Intent

The Illinois Department of Commerce and Economic Opportunity (the “Department” or “DCEO”) is issuing this Notice of Funding Opportunity (“NOFO”) to solicit applications for the 2026 Public Community Revitalization Grant opportunity funded by the Community Development Block Grant (CDBG) through the U.S. Department of Housing and Urban Development.

Program Description

Rural communities have a variety of unmet needs with no funding to address the challenges. This includes blighted structures that pose a health and safety hazard, crumbling sidewalks and streetscapes that make pedestrian traffic difficult, commercial facades with deferred maintenance, preservation of historic structures that tell their story, and closed buildings that could be used for good purposes. CDBG has eligible activities that provide for all of these needs, but the State of Illinois has previously not provided the opportunity on a regular basis. Beginning with the 2025-2026 CDBG funding allocation, the State is making specific activities available. The Department has estimated \$13,000,000 in CDBG funds will be available for the Community Revitalization (CR) component. Grant ceilings range from \$250,000 to \$2 million dependent upon the type of project, including allowable Activity Delivery costs of up to \$40,000 for all projects, has been established.

Applications will be accepted on a first-come, first-served basis after release of the Notice of Funding Opportunity, and awarded on a first-qualified basis until all funds are exhausted. Local governments may apply for only one demolition activity and one other revitalization activity per year

All grant funded projects must meet the following requirements:

- Only units of general local government (i.e., cities, villages, townships and counties) may apply for funding. County and township applicants must not include areas that are incorporated within a city or village. Incorporated areas must apply on their own behalf.
 - With the exception of the demolition activity, projects must be located within the jurisdiction of a local government that does not receive a direct allocation of CDBG “entitlement” funds.
 - The project must be for the benefit of and completed by the local government. Grant funds or project oversight cannot be passed to a subrecipient.
 - The local government must have control of the property through ownership, long-term lease (minimum 15 year lease), or a firm option to buy if grant is awarded, in which case purchase must be completed prior to grant execution. If necessary, local government must have Private Property Easements 100% signed.
- Grantees must follow local code enforcement procedures. This often requires:
 - Written Consent: If leasing the property, obtaining a voluntary agreement from the private property owner.
 - Legal Orders: Obtaining a court-ordered demolition if the property is a public nuisance and the owner does not consent.
 - Substandard Proof: Documenting through an official inspection that the structure is vacant and dilapidated according to local building codes.

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- Project conditions must not include any of the following:
 - Except for demolition, located in a FEMA-floodway.
 - Has IEPA or USEPA listed site contamination other than asbestos and lead.
- Applications must provide written evidence that necessary, additional funding for the project is firmly committed.
- Projects must meet an appropriate National Objective as outlined below:
 - Benefiting low-to-moderate income persons; or
 - Aiding in the prevention or elimination of slums and blight; or
 - Meeting other community development needs that pose a serious and immediate threat to the health and welfare of the community (also known as Urgent Need) .

All grant funds must relate to one of the following HUD-defined activity codes:

- 03L Sidewalk Improvements for sidewalk improvements or “Streetscapes”, including the installation of trash receptacles, trees, benches and lighting. Regulation Citation 570.201(c)
- 04 Demolition activities that involve the clearance or demolition of buildings and improvements. Regulation Citation 570.201(d) and not in furtherance of redevelopment. Demolition must meet the environmental definition of Exempt-ER, box 10. The Demolition activity will be funded with Community Development Block Grant-Coronavirus (CDBG-CV) funds until those funds are exhausted, followed by funding through the annual allocation. Demolition is the only activity available to Entitlement Communities, and only until funding set aside for Entitlement Communities is expended.
- 14E Rehabilitation of Commercial/Industrial rehabilitation limited to improvements to the exterior of a commercial building, generally referred to as “Façade Improvements” Regulation Citation 570.202
- 16B Non-residential Historic Preservation rehabilitation or renovation of a non-residential historic building Regulation Citation 570.202(d)
- 17C Renovation/Conversion of a Closed Building rehabilitation of a commercial/industrial building for conversion from one use to another. Regulation Citation 570.203(a)
- Activity Delivery: Includes such costs as (but are not limited to) salaries, travel costs, services performed under third party contracts, including legal and audit services, environmental record review preparation, additional fidelity bonding costs or other services required for the delivery of grant activities.

The grant ceiling for this program is dependent on the activity. The matrix below indicates the activity, grant ceiling, and applicable National Objectives,.

Activity	Grant Ceiling	Eligible National Objective
Sidewalk Improvements	\$1,000,000	LMA, LMC, SB, URG
Rehabilitation of Publicly Owned Commercial/Industrial Building	\$1,000,000	LMA, LMH, SB, SBA, URG
Non-residential Historic Preservation	\$1,000,000	LMA, SB, SBA, URG
Renovation/Conversion of a Closed Building	\$1,000,000	LMA, LMH, SB, SBA, URG
Demolition	A single commercial building: \$250,000 Four or more adjacent commercial buildings: \$1,000,000 Large structures: \$2,000,000	LMA, SB, SBA, URG

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The following activities are specifically identified as ineligible.

- Demolition in furtherance of redevelopment. Vacant land resulting from demolition cannot be redeveloped or sold for at least five full years following Grant closeout.
- Demolition of property that could reasonably be a candidate for rehabilitation.
- Demolition of residential or industrial structures or facilities, or parking lots.
- Construction of buildings, or portions thereof, used predominantly for the general conduct of government (e.g., city halls, courthouses, jails, police stations).
- General government expenses. Costs of operating and maintaining public infrastructure and services (e.g., mowing parks, replacing street light bulbs).
- Costs of operating and maintaining public infrastructure and services (e.g., mowing parks, replacing street light bulbs).
- Servicing or refinancing of existing debt.

The following applications will be deemed “Do Not Fund” (DNF), not reviewed further nor considered for funding:

- 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.
- Applications that do not meet the Citizen Participation requirements as outlined in Section II of the Guidebook.
- Applications that do not clearly demonstrate and document a National Objective.
- Applications that do not designate a Grant Administrator and/or include the required contract and (if applicable) environmental form.
- Applications in which the Chief Elected Official did not sign all appropriate documents as the Authorized Representative.
- Applications that contain forged or altered signatures or dates or in which non-CDBG forms are used (Section I of the Guidebook)
- Applications that have the following errors in relation to the Engineer’s cost estimate:
 - Engineer’s cost estimate not contained in application;
 - Engineer’s cost estimate not on company letterhead without engineer’s name or not dated;
 - Engineer’s cost estimate does not include a detailed breakdown of costs;
 - Engineer’s cost estimate more than one year old from the application due date

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 could result in grant funds being repaid by the Grantee/Community. It is important that Grantees seek out an experienced Grant Administrator to manage all the details of the grant, provide oversight and coordination of the project. This management process is called “Activity Delivery”.

All grant administrators (is assumed the administrator is writing the grant) should attend the 2026 Community Revitalization Technical Assistance Workshop to be held virtually Tuesday, June 23rd at 1:00 pm. Information concerning the workshop can be found at <https://dceo.illinois.gov/communitydevelopment.html>

All Grantees must use an experienced Environmental specialist, who has completed at least one Illinois CDBG Environmental Record Review since January 1, 2024 OR has successfully completed DCEO Environmental Training conducted on July 18, 2018.

The Adminstrating Entity must be named in the application. Contracts for the purpose of securing services for activity delivery and/or rehabilitation administration (Inspector) must be competitively procured under 2 CFR 200 prior to application unless the contract is with an Intergovernmental

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Agreement Agency or an Inter-Entity Agreement Agency. The grantee's procurement process must be documented and kept with the grant files. All contracts for provision of Activity Delivery and/or Rehabilitation Administration (Inspector) must be provided to DCEO with the application, regardless of whether Activity Delivery is paid from grant funds or local government funds. In addition, if Activity Delivery is procured and paid by grant funds, a completed Exempt-CENST-ER-Format form must be included with the application.

The maximum amount of CDBG funds that may be allowed for reasonable activity delivery costs is \$40,000. Activity delivery costs above that amount must be contracted separately and not included in the application. If paid with CDBG funds, activity delivery costs must be included in the total grant award.

Activity Delivery: Includes such costs as (but are not limited to) salaries, travel costs, services performed under third party contracts, including legal and audit services, environmental record review preparation, additional fidelity bonding costs or other services required for the delivery of grant activities. For Housing Rehabilitation, Activity Delivery is to be used for administrative services necessary to the delivery/completion of the CDBG housing rehabilitation project.

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. For more information on audit standards, please see: <https://www.ilga.gov/commission/jcar/admincode/044/044070000A00900R.html>.

All Activity Delivery costs must be substantiated with complete invoices utilizing the template provided by the Department. Invoices without sufficient detail will not be paid.

A public hearing must be held prior to submission of an application and prior to passage of a local council resolution of support by the local governing body.

Public Participation

- All applicants must provide for public participation. All citizens must be given reasonable access to the community's application and reasonable time to review the application prior to the public hearing.

Public Notice

- A Notice of Public Hearing must be published at least once in a newspaper of general circulation at least seven calendar days (excluding the date of publication and excluding the date of the hearing) prior to the public hearing.
- The Notice of Public Hearing must include the address of where project information is available for viewing.
- All project information must be available for viewing on the first business day (not Saturday, Sunday, or a holiday) after date of publication at an easily accessible location within the community applying for the grant.
- The Public Comment Period must coincide with the time period between Notice and Hearing; concluding after the Hearing has been completed. The address for submission of written comments must be included in the Public Notice.

Conducting the Public Hearing

- Public Hearings must be facilitated by the applicant's governing body chief elected official or authorized official and certified by the chief elected official, authorized official or clerk.

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- Efforts must be made to assure reasonable access to the public hearing by persons with disabilities; as well as be conducted in a manner to meet the needs of non-English speaking residents where a significant number of non-English speaking residents can reasonably be expected to participate.
- Those attending the public hearing must be informed of where and how to access the applicant's CDBG records.
- The Hearing must allow for public comments on the application and project.
- A sign-in sheet must be provided to document attendance. It is suggested that each person attending the public hearing provide his address and identify his role of participation (e.g., citizen, elected or appointed official, municipal employee, contractor, grant writer or administrator, business owner, etc.).
- The public hearing must cover:
 - The amount of funds available;
 - The project activities that will be undertaken with CDBG funding, including amount;
 - The project activities that will be undertaken with additional project funding, including amount;
 - The estimated amount proposed for activities that will benefit LMI individuals;
 - Plans for minimizing displacement as a result of the CDBG grant-assisted activities and to assist persons actually displaced, if applicable;
 - A detailed, prioritized list of community development and housing needs; and
 - A narrative discussion of the scope of the project including the proposed improvements, costs, benefit area, impact on community finances, etc.
- The minutes of the public hearing must be certified by the chief elected official or other authorized local officials, such as county clerk, city clerk, etc.
- Following the Public Hearing, a Resolution of Support from the local governing body must be passed that authorizes the local government to apply for funds. The date of the Resolution must be on or after the date of the Public Hearing.

If the publication guideline or public hearing requirements are not met, the application will not be reviewed further nor considered for funding.

Program History

The Community Development Block Grant (CDBG) Program was established by the federal Housing and Community Development Act of 1974 (Act). Administered nationally by the U.S. Department of Housing and Urban Development (HUD), the Act combined eight existing categorical programs into a single block grant program. In 1981, Congress amended the Act to allow states to directly administer the block grant for small cities. At the designation of the Governor, the Department of Commerce and Economic Opportunity (Department) assumed operation of the State of Illinois CDBG – Small Cities Program in the same year. Through this program, funds are available to assist Illinois communities to meet their greatest economic and community development needs, with an emphasis on helping persons of low-to-moderate income.

Performance Goals and Measures

To ensure that the State-administered program meets the intent of the federal Housing and Community Development Act of 1974, as amended, Congress has required that state-administered programs meet at least one of the following three national objectives:

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

To complement these federally-mandated objectives, the State has established the following specific objectives for the CDBG Program:

- Strengthen community economic development through the creation of jobs, stimulation of private investment and strengthening the tax base;
- Improve public infrastructure and eliminate conditions which are detrimental to health, safety and public welfare; and
- Conserve and expand the State's housing stock in order to provide a decent home and a suitable living environment for persons of low-to-moderate income and the developmentally disabled.

Other Information

All application information and forms for Community Development Block Grant funded programs can be found in the 2026 CDBG Guidebook, available on the website at:

<https://dceo.illinois.gov/communitydevelopment.html>

The sections relevant to the Community Revitalization Program can also be found as Appendix A to this NOFO.

B. Funding Information

This grant program is utilizing federal pass-through funds appropriated by the General Assembly. Community Development Block Grant funds are authorized by Congress on an annual basis and allocated by the U.S. Department of Housing and Urban Development (HUD) to States and Entitlement programs. Total amount of funding expected to be awarded through this NOFO is \$13,000,000 from the 2025 and 2026 CDBG allocation, along with the remaining CDBG-CV funds provided through the CARES Act. Awards will range from \$250,000 to \$2,000,000. The Department expects to make 20 awards through this NOFO.

The period of performance is expected to begin approximately 90 days after issuance of a Notice of State Award Finalist (NOSAF). A NOSAF outlines the special grant conditions, including the federal environmental process, which must be completed prior to grant agreement. The period of performance is expected to be two years from the grant execution.

Allowed costs relate to construction and contractual line items. This is a reimbursement grant. All expenses must be substantiated with invoices, cancelled checks and bank statements. See Program Description for details on specific allowable and unallowable costs.

Agreement(s) and budget(s) with subrecipients and subcontractors must be on file with DCEO. Agreements can be submitted to DCEO when available. Subcontractors and subrecipients are subject to all applicable provisions of the Agreement(s) executed between DCEO and the grantee. The successful applicant shall retain sole responsibility for the performance of its subrecipient(s) and/or subcontractor(s).

Pre-award costs are not reimbursable.

The release of this NOFO does not obligate the Department to make an award.

C. Eligibility Information

An entity must be registered in the Grant Accountability and Transparency Act (GATA) Grantee Portal, <https://grants.illinois.gov/portal/>, at the time of grant application. The portal will verify that the entity:

- Has a valid FEIN number (<https://www.irs.gov/businesses/small-businesses-self-employed/get-an-employer-identification-number>)
- Has a current SAM.gov registration (<https://sam.gov>). SAM.gov registrations must be marked as "public" to allow the GATA Grantee Portal to expedite the review of the federal information;

- Has a valid UEI number (<https://sam.gov>)
- Is not on the Federal Excluded Parties List (verified at <https://sam.gov>)
- Is in Good Standing with the Illinois Secretary of State, as applicable (https://www.ilsos.gov/departments/business_services/corp.html)
- Is not on the Illinois Stop Payment list (verified once entity is registered in GATA Grantee Portal); and
- Is not on the Department of Healthcare and Family Services Provider Sanctions list (<https://www.illinois.gov/hfs/oig/Pages/SanctionsList.aspx>)

Entities on the Illinois Stop Payment List and/or the Federal Excluded Parties List at time of application submission will not be considered for an award.

An automated email notification to the entity alerts them of “qualified” status or informs how to remediate a negative verification (e.g., not in good standing with the Secretary of State). A federal Debarred and Suspended status cannot be remediated.

At this time, federal memo M-21-20 allows entities to apply for grant awards without a valid UEI number. The UEI number must be obtained prior to grant execution. The State of Illinois has adopted this guidance for the issuance of state awards also.

Pursuant to the policy of the Illinois Office of the Comptroller, to receive grant funds from the State of Illinois, a grantee must be considered a regarded entity by the IRS for federal income tax purposes. Disregarded entities will not be eligible to receive grant funds.

1. Eligible Applicants include:

With the exception of the demolition activity, only units of general local government (i.e., cities, villages, townships and counties) may apply for Community Revitalization funding. County and township applicants must not include areas that are incorporated within a city or village. Incorporated areas must apply on their own behalf, regardless of whether a water district or sanitary district is involved. Only units of local government recognized by the Illinois Constitution and able to support economic development activities on a sufficient scale are eligible to apply for Economic Development grant funding. This includes cities, villages, and counties.

Local governments are limited in the number of applications which may be submitted and awarded in a program year. Units of local government may submit one demolition application and one other Revitalization activity application per calendar year. Applications that further a project in progress, whether funded with or without CDBG funds, will not be accepted. Local governments that have forfeited an award or had their grant de-obligated for any reason will not be eligible to apply for three program years.

All applicants must be registered in the Grant Accountability and Transparency Act system (GATA) and be prequalified on the GATA Portal at <https://gata.illinois.gov> on the application due date. Applications submitted by communities who are not prequalified will not be considered for review. For more information on GATA Prequalification and other Grantee resources, visit <https://dceo.illinois.gov/aboutdceo/grantopportunities/learning-library.html>.

Municipalities must not be a HUD direct Entitlement community or be located in an urban county that receives "entitlement" funds. Communities receiving an annual allocation directly from HUD on an entitlement (formula) basis are not eligible to apply for the State's CDBG funding. In 2023, Illinois has 33 metropolitan cities and eight urban counties names as Entitlements. This includes the Counties of Cook, DuPage, Kane, Lake, Madison, McHenry, St. Clair and Will; and the Cities or Villages of Arlington Heights, Aurora, Berwyn, Bloomington, Champaign, Chicago, Cicero, Danville, Decatur, DeKalb, DesPlaines, Elgin, Evanston, Hoffman Estates, Joliet, Kankakee,

Moline, Mount Prospect, Naperville, Normal, Oak Lawn, Oak Park, Palatine, Pekin, Peoria, Rantoul, Rockford, Rock Island, Schaumburg, Skokie, Springfield, Urbana, Waukegan.

The Department complies with all applicable provisions of state and federal laws and regulations pertaining to nondiscrimination, sexual harassment and equal employment opportunity including, but not limited to: The Illinois Human Rights Act (775 ILCS 5/1-101 et seq.), The Public Works Employment Discrimination Act (775 ILCS 10/1 et seq.), The United States Civil Rights Act of 1964 (as amended) (42 USC 2000a-and 2000H-6), Section 504 of the Rehabilitation Act of 1973 (29 USC 794), The Americans with Disabilities Act of 1990 (42 USC 12101 et seq.), and The Age Discrimination Act (42 USC 6101 et seq.).

2. Cost Sharing or Matching.

Cost sharing is not required, however up to 10 points may be added to the score when communities contribute other funding toward the completion 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. Unless otherwise directed by DCEO staff, if other funds are committed and the grant awarded, additional funding must be spent on a 1:1 ratio with grant funds until either the grant funding, or match is exhausted.

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 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.
- 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.

3. Indirect Cost Rate.

This grant will not compensate for indirect costs.

4. Freedom of Information Act/Confidential Information.

Applications and accompanying materials are subject to disclosure in response to requests received under provisions of the Freedom of Information Act (5 ILCS 140/1 et seq.). Information that could be proprietary, privileged, or confidential commercial or financial information should be clearly identified as such in the application materials. The Department will maintain the confidentiality of that information only to the extent permitted by law.

5. Other, if applicable.

The following requirements and disclaimers apply to all applications submitted for consideration under the CDBG Program.

- Costs previously incurred (such as design) as well as costs incurred in preparation of applications and local income surveys are not reimbursable under this grant program.
- The Department reserves the right to reject any or all applications received and/or negotiate or cancel in part or in entirety grants resulting from application awards if it is in the Department's best interest to do so.
- The Department reserves the right to withdraw a commitment for CDBG funds
 - when special grant conditions have not been satisfied within 90 days after the date of the Notice of State Award Finalist,
 - when the Federal wage rate request has not been received within 6 months of Grant Execution for projects requiring Federal labor standards
 - when the Notice of Contract Award and initial Davis-Bacon Federal labor standards documentation have not been received within 9 months of Grant Execution,
 - or at the discretion of the Department if it is determined the project will not progress.
- The Department reserves the right to establish the amount of grant funds awarded, raise the individual grant ceilings, and to shift funds from one CDBG component funding area to another. The Department further reserves the right to award funds to the next highest rated applicant(s) for any component should funds become available due to de-obligations, etc.
- The Department reserves the right to deny funding when submitted applications involve eligible units of government with serious unresolved monitoring or audit findings related to performance. Additionally,
 - An application will be considered "Do Not Fund" if at the time of application, the applicant has an overdue audit.
 - Funding will be withdrawn for any awardee that has not completed required audits and has been FEIN locked subsequent to the award but prior to grant agreement execution.

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- Funding will be withdrawn for any awardee that has not completed required audits and has been FEIN locked for 6 months or more after grant agreement execution.
- On an annual basis, the Department will re-evaluate the timely distribution of funds under all program components, as well as the availability of unspent and recaptured funds. Unspent and recaptured funds will be awarded to fund additional CDBG-eligible projects. Depending upon available funds, a Back-up Funding round may be implemented later in the program year.
- The Department reserves the right to not fund applications that address problems which obviously are a result of deferred maintenance.
- The Department reserves the right to consider an outside technical review by an appropriate agency or agencies. The Illinois Environmental Protection Agency, the Illinois Department of Public Health, and/or USDA Rural Development may be asked to review public infrastructure projects involving water or sewer activities.
- Any additional non-CDBG resources must be firmly committed and included in the application. Changes to the source of additional funds after the application will not be accepted. It must also be evident in the application that both CDBG and non-CDBG funds will address the same need.
- Proposed projects (including the fund source, cost estimates, benefit, urgency, project area, and/or construction activities) supplied in the grant application submitted for funding must not be changed or modified prior to grant award or at the time the project is bid. If extenuating circumstances exist, the Grantee may submit a modification request after the receipt of its executed Grant Agreement.
- A grant agreement will be issued for a contract period of twenty-four months for Public Infrastructure, Housing Rehabilitation and Community Revitalization grants. All projects must be operational at the end of the twenty-four-month grant term. No more than one twelve-month extension may be considered.
- Requests for Modifications must be presented to the Department prior to any changes being made to the project area, beneficiaries, cost estimates, or funded activities. All modifications must include only original and environmentally-cleared project location(s). Requests for activities outside the original project location(s) will not be considered. Modifications that will decrease the benefit to low-to-moderate income persons will not be considered. Modifications to decrease or increase the scope of work due to greater than or less than estimated costs will not be considered.
- The use of in-kind services as additional funding is limited. Applicants must identify the specific tasks/services that will be performed or provided. Each task/service must be quantified by outlining the number of personnel assigned to the task and current payroll status; number of hours; and the hourly rate. Additionally, the qualifications of each individual to perform the assigned task/service (e.g., construction inspection) must be provided. If in-kind services are being utilized, a local council resolution must be included in the application.
- Local governments may not assess any fees against property "occupied" by eligible low-to-moderate income persons. The most common type of assessment is a connection fee, which is a one-time charge made as a condition of access to an improvement -- normally a sanitary sewage collection or water distribution system.
- With the exception of the Exempt-CENST-ER-Format form, and only if CDBG funded Activity Delivery and/or Rehabilitation Administration is budgeted, no environmental review activities can take place until the applicant has received the Notice of State Award Finalist. Once this Notice is received, only then may the grantee initiate required environmental clearance requests with the four State environmental clearance agencies and federal environmental sources, in accordance with Federal NEPA requirements and State law. DO NOT reuse State environmental clearance letters previously obtained for another funding source. In certain circumstances, the CDBG Community Revitalization Program Manager may allow a community to begin the Environmental review early only for Economic Development projects.

- In accordance with the Interagency Wetland Policy Act of 1989, an applicant whose proposed project site is located on or within 250 feet of a wetland site listed on the National Wetlands Inventory will be required to comply with the requirements of the Act. This includes: developing 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. Project must also comply with Federal Wetlands Protection regulations at 24-CFR 58.5(b)(2) and Executive Order 11990, which may require preparation of an Eight-Step Wetlands Review.
- 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 their website: <https://msc.fema.gov>. Exact project location(s) must be clearly drawn on the FEMA map prior to submission. The most current version available on <https://msc.fema.gov> must be used.
- CDBG grant funds may not be used for any activity in an area delineated as a special flood hazard area in FEMA's most current flood advisory maps unless it also ensures that the action is designed or modified to minimize harm to or within the floodplain in accordance with Executive Order 11988, 24 CFR 55, and (eff. 6/24/24) HUD Federal Flood Risk Management Standard "(FFRMS). In accordance with 24 CFR 55, CDBG grant funds must not be committed in a FEMA-designated floodway, unless the project is a functionally dependent use of the floodway, as approved by the Department ahead of time, Under HUD FFRMS, CDBG assistance committed for any Critical Action (e.g., for PI, water or sewer plant, or water tower) in a FFRMS flood plain must be mitigated through elevation.

Communities receiving an annual allocation directly from HUD on an entitlement (formula) basis are not eligible to apply for the State's CDBG funding per U.S. Department of Housing and Urban Development regulations with the exception of the Demolition activity in the Community Revitalization Program. Funds available for Entitlements are limited to those remaining CDBG-CV funds appropriated statewide.

Applicants may submit one demolition activity application and one other revitalization activity application per year.

D. Application and Submission Information

1. Address to Request Application Package.

Grant application forms are available at the web link provided in the "Grant Application Link" field of this announcement or by contacting the Program Manager:

Office of Community Development
Illinois Department of Commerce & Economic Opportunity
1011 South Second Street
Springfield, IL 62704
Tele: 217-558-4222
Email: ceo.ocd@illinois.gov

2. Content and Form of Application Submission.

A standard application package must be submitted to and reviewed by DCEO. Each package must contain the following items:

- ☐ Uniform Grant Application in fillable PDF format.
 - Signature page must be signed by the authorized signatory before submission
 - Can be printed, signed, and scanned

- Can be signed digitally
- ☐ Uniform Budget utilizing the template provided by DCEO for this project.
 - The entire Excel document with all the tabs included, even if the tabs are not relevant to the grant opportunity, must be submitted.
 - Do not send a restricted version of the Uniform Budget.
 - Certification page must be signed by the authorized signatory before submission
 - Can be printed, signed, and scanned
 - Can be signed digitally
- ☐ Conflict of Interest Disclosure.
 - Conflict of Interest Disclosure must be signed by the authorized signatory before submission
 - Can be printed, signed, and scanned
 - Can be signed digitally
- ☐ Mandatory Disclosure.
 - Mandatory Disclosure must be signed by the authorized signatory before submission
 - Can be printed, signed, and scanned
 - Can be signed digitally

This Notice of Funding Opportunity also requires the submission of the following other programmatic specific items as part of the program application:

NARRATIVE RESPONSES

All applications must include the following narrative responses as well as the requested documentation. See the Application Checklist contained in Appendix A for placement of the information in the application.

- Letter of Transmittal –
 - must be on applicant's official letterhead,
 - dated,
 - include the amount requested,
 - the eligible activity,
 - a brief project description,
 - the National Objective the project qualifies under,
 - additional funding amount and source (if applicable)
- 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 National Objective is being met with this project?
 - Does this project qualify for a low-to-moderate income National Objective? If so, provide LMISD Printout
 - If Slum/Blight National Objective is being used, note if it is area-wide or on a spot basis. Describe the current condition of the property. Include color photographs of the condition and when applicable, statutory or regulatory violation notices and building inspection reports.
 - If utilized on an area-wide basis:
 - A description of the conditions which qualifies the project as slum/blight
 - A description of the activity showing how it addressed a condition which led to the decline of the area
 - Inclusion of a pre-rehabilitation inspection report describing the deficiencies in each structure
 - Details and scope of the CDBG-assisted rehabilitation, by structure
 - A copy of the Slum/Blight Designation

- If utilized on a spot basis:
 - How the building qualifies under the grantee's definition of "substandard"
 - Inclusion of a pre-rehabilitation inspection report describing the deficiencies in each structure to be rehabilitated
 - A description of the activity showing how it addressed a condition which led to the decline of the area.
- If National Objective is Urgent Need, address what occurred to create the need.
 - What is the eligible CDBG Activity for this project?
 - Describe the project area, including legal boundaries.
 - Describe previous efforts to address the need for this activity.
 - Why is the project necessary?
 - Is there a threat to health and safety being addressed, and if so, how long has the problem existed? Include any relevant documentation.
 - What are the specific activities/steps to completion included in the project and at what locations will they occur and why?
- Is this project part of a downtown or other revitalization plan? Describe the plan. Describe the scope of any other activities planned or ongoing which will support the proposed project.
- What Community Benefit does the project provide? Does it create housing, jobs, opportunities for business, provide a safer environment?
- Describe the Community's view of this project. Are they supportive; are there objections and if so, why?
- Is this project located in a historic downtown or a National, State, or Local designated historic district? If a historic district, please identify the designation.
- If a historic building, how does project preserve the historic character of the building and (if applicable) area? Will this project follow the Secretary of the Interior's Standards for Rehabilitation? If not, why?
- Does this project create, enhance or preserve a tourism destination? If so, describe how.
- 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.
 - Property Ownership/Option To Purchase - Identify the ownership of any property needed to complete the project. Applicant must own the property or agreements must be in place and included as documentation in the grant application.
 - Code Violation(s) – Note any code violations that this project addresses and describe the current condition(s). If there are no code violations, please indicate in the Summary.
 - 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.
 - 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.
 - Note any other permits, licenses or documentation that must be completed before the project can begin, and the status of each.
 - Additional funding commitment(s) – Address all additional funding commitments, in narrative form. If no additional funds will be committed, an explanation is required;
 - Justification of the local government's need for CDBG assistance in relation to its overall financial capability, including discussion of outstanding indebtedness.

INCLUSIONS

- **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) relationship to key areas of the community (downtown and/or major retail areas, local government facilities, schools, railroads, highways, interstates, 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.
- **Architect or Engineer's Cost Estimate** (See Submission Checklist in Section III, Part K for placement.) Please keep in mind that it may be longer than one year from the time of application before the project is bid, and current costs might not be accurate at that time. Be certain to adjust costs based on estimated inflation. If it is difficult to make adjustments to individual project components, you may include an "Inflation Adjustment" line with an amount up to 10% of the total of current project construction costs.
 - Must be on company letterhead, include the date of the estimate and the engineer or architect'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 on the CDBG GATA budget.
 - DO NOT include any costs not pertinent to the project or miscellaneous.
- **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.
- **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>).

Please note there is a maximum upload of 10 documents in the web form that you submit the application, so combining files may be necessary.

3. Unique Entity Identifier (UEI) and System for Award Management (SAM).

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Each applicant (unless the applicant is an individual or Federal or State awarding agency that is exempt from those requirements under 2 CFR 25.110(b) or (c), or has an exception approved by the Federal or State awarding agency under 2 CFR 25.110(d)) is required to:

- (i) Be registered in SAM. To establish a SAM registration, go to <https://sam.gov> and/or utilize this instructional link: How to Register in SAM from the gata.illinois.gov Resource Library tab. SAM.gov registrations must be "public."
- (ii) Provide a valid UEI number in the GATA Grantee Portal registration.
- (iii) Continue to maintain an active SAM registration with current information at all times during which it has an active Federal, Federal pass-through or State award or an application or plan under consideration by a Federal or State awarding agency. The State awarding agency may not make a Federal pass-through or State award to an applicant until the applicant has complied with all applicable UEI and SAM requirements and, if an applicant has not fully complied with the requirements by the time the State awarding agency is ready to make a Federal pass-through or State award, the State awarding agency may determine that the applicant is not qualified to receive a Federal pass-through or State award and use that determination as a basis for making a Federal pass-through or State award to another applicant.

4. Submission Dates and Times.

Applications for this opportunity may be submitted at any time after the NOFO posting until all funds are exhausted.

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
 - 2026 Public Infrastructure
 - Original or Copy

For Example:

VILLAGE OF ABRACADABRA
2026 Public Infrastructure
Original

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

Submit the original and one complete copy. Be certain if there are documents in color in the original, that the copies are in color also!

The Department is under no obligation to review applications that do not comply with the above requirements. Failure to meet the application deadline may result in the Department returning application without review or may preclude the Department from making the award.

5. Intergovernmental Review, if applicable.

The Department reserves the right to consider an outside technical review by an appropriate agency or agencies. The State Historic Preservation Officer, the Illinois Environmental Protection Agency, the Illinois Department of Public Health, and/or USDA Rural Development or others may be asked to review or provide input on activities.

6. Funding Restrictions.

This opportunity does not allow reimbursement of pre-award costs. Other restrictions can be found in Sections A., B., and C.

7. Other Submission Requirements.

Documents stored in Google Docs or other cloud-based servers are not allowed.

The applicant can receive a copy of their submitted application by checking the “Send me a copy of my responses” box at the bottom of the application submission form.

Applicants may confirm receipt of the application and documents by contacting the program contact listed in this NOFO.

E. Application Review Information

1. Criteria.

SCORING CRITERIA

- Opportunity Zones: 3 points will be allocated for Projects located in an Opportunity Zone. 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>
- DCEO Underserved Area: 2 points will be allocated for Projects located in a 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 applications
 - 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>
- 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

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of five 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 - \$ 999.99	5
\$1,000.00 - \$1,999.99	4
\$2,000.00 - \$2,999.99	3
\$3,000.00 - \$3,999.99	2
\$4,000.00 - \$4,999.99	1
\$5,000.00 Plus	0

- Condition of Project Location: The degree to which present conditions affect public health and safety, and the severity and immediacy of the problem must be demonstrated in the Project Summary documentation. Points will be allocated on the following criteria:

10 points:	Project is Urgent; Building is in imminent risk of collapse
8 points:	Property is considered unsafe and not able to be utilized
6 points:	Property exhibits physical signs of blight or decay but can be utilized
4 points:	Property is in need of repairs but physically sound
2 points:	Property has been vandalized but is not significantly blighted
0 points:	Project is a good idea but not necessary at this time

- Inclusion in a Community Plan: Revitalization projects are generally more successful when they are part of a carefully thought out Plan with input from community stakeholders. Points will be allocated on the following criteria:
 - 5 points: Community has a Revitalization Plan that is at least 2 years old and the Project is identified in the plan. Documentation must include the Plan's initial Executive Summary and the page(s) indicating the Project is a part of the Plan.
 - 3 points: Community does not have a Revitalization Plan but has identified this Project as a priority. Documentation should include at least one of the following: Local Government Meeting Minutes, Planning Commission Meeting Minutes, Ordinances or Proclamations referencing the Project, Press stories.
- Community Benefit: Up to 5 points will be allocated for a thoughtful description of how the Project will benefit the Community as described in the Project Summary.
- Community Support: Provide evidence of community enthusiasm for this Project through letters of support from organizations, businesses, and residents. Do not use form letters. Each letter should be personalized. Do not send letters of support from elected officials; they will not be included in the total number of letters received for points.
 - 3 points: At least 15 letters total including organizations, businesses, and residents
 - 2 points: At least 10 letters total including organizations, businesses, and residents
 - 1 point: At least 5 letters total
- Project is located in a designated historic district, downtown, or is a historic Landmark:
 - 5 points: Project is located in a designated historic district. Documentation must include the name of the District, when it was instituted, street boundaries of the District, and District Map. If the Project is a building, must include property information sheet indicating if the property is considered significant, contributing, or non-contributing.
 - 3 points: Project is a property established as a National, State, or Local historic Landmark. Provide documentation of this designation. Designation must be at least one year old. Ensure documentation describes why the property is a Landmark.
 - 1 point: Project is located in the generally accepted boundaries of Downtown.
- Project preserves the historic character of the building or area:

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3 points: Project is designed to meet the Secretary of the Interior's Standards
2 points: Project is designed to blend with the historic character of the building or area

- Project creates, enhances or preserves a tourism destination: Up to 3 points will be allocated for a project with ties to tourism. Documentation must include information on the tourism destination, how/why the project ties into the destination, and how the destination is marketed.
- Project eliminates slum and blight: Up to 3 points will be allocated for a project that eliminates slum and blight. Documentation must identify if the slum and blight is on an area basis or spot basis, include a minimum of 5 color pictures (pictures must be dated within the last year and be described), describe how the slum and blight will be addressed and what the result will be.
- Project addresses code violation(s): Up to 3 points will be allocated for a project that addresses code violations. Documentation must identify what the violation is and cite the reference, and address how the violation will be resolved.
- Additional Funding: Additional points will be assessed for applicants contributing other funding toward the completion of the proposed project. A maximum of 5 points will be assigned to projects contributing 80% or more of the total project costs. No points will be assigned to projects contributing less than 10% of the total project costs. The breakout is as follows:
 - 5 points - 80% or more of project cost contributed
 - 4 points – 60.0 – 79.9% of project cost contributed
 - 3 points - 40 – 59.9% of project cost contributed
 - 2 points - 20 – 39.9% of project cost contributed
 - 1 point - 10 – 19.9% of project cost contributed
 - 0 points - Less than 10% of project cost contributedNo points will be assessed if the funding is not firmly committed. other factors). If cost sharing will not be considered in the evaluation, the announcement should state this so there is no ambiguity.

2. Review and Selection Process.

Applications will be graded using the Merit Review Process and scored on the criteria specified in Section E.1. The Department will designate an Evaluation Committee to grade each application received for this funding opportunity. Scores must match exactly as scoring criteria has specific items to meet with no room for objectivity.

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 Scoring Criteria described in Section H of this Guidebook.
- The maximum score is 55 points. Applications must reach a minimum score of 35 in order to qualify for funding.
- Applications will be funded based on first-received, and then first-qualified.

- Until all CDBG-CV funds are exhausted, qualified Demolition activity grants will be funded with CDBG-CV funds.
- The Department reserves the right to perform a site visit.

All recommendations are forwarded to the Director of the Department who makes the final funding decisions.

The Merit Based Review process is subject to appeal per <https://dceo.illinois.gov/aboutdceo/grantopportunities/meritappreview.html>. However, competitive grant appeals are limited to the evaluation process. Evaluation scores may not be protested. Only the evaluation process is subject to appeal. The appeal must be submitted through the merit review appeal request form (<https://app.smartsheet.com/b/form/6444bed39ef140c589f002f53b9bc092>) within 14 calendar days after the date that the grant award notice has been published.

3. Anticipated Announcement and State Award Dates, if applicable.

After the application period is closed, the Department will conduct a meritbased review of eligible applications. Successful applicants will receive a Notice of State Award (NOSA) to initiate the grant agreement phase. During this phase, you will be contacted by a grant manager to develop a grant agreement, which can be a months long process depending on complexity, cooperation, and conformity with all applicable federal and state laws.

The Department reserves the right to issue a reduced award, or not to issue any award.

F. Award Administration Information

1. State Award Notices.

The Notice of State Award (NOSA) will specify the funding terms and specific conditions resulting from the pre-award risk assessments and the merit-based review process. The NOSA must be accepted in the GATA Portal by an authorized representative of the grantee organization. The NOSA is not an authorization to begin performance or incur costs.

2. Administrative and National Policy Requirements.

Subrecipients and Subcontractors: Agreement(s) and budget(s) with subrecipients and subcontractors must be pre-approved by and on file with DCEO. Agreements can be submitted to DCEO when available. Subcontractors and subrecipients are subject to all applicable provisions of the Agreement(s) executed between DCEO and the grantee. The successful applicant shall retain sole responsibility for the performance of its subrecipient(s) and/or subcontractor(s).

Grant Uniform Requirements: The Grant Accountability and Transparency Act (30 ILCS 708/1 *et seq.*) (and its related administrative rules, 44 Ill. Admin. Code Part 7000), was enacted to increase the accountability and transparency in the use of grant funds from whatever source and to reduce administrative burdens on both State agencies and grantees by adopting federal guidance and regulations applicable to those grant funds; specifically, the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (2 CFR 200).

Procurement: Grantees will be required to adhere to methods of procurement per the Procurement Standards (2 CFR 200.317 – 2 CFR 200.327).

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Each applicant must agree to comply with all applicable federal and state requirements. This includes 2 CFR 200, 24 CFR 570, Part 85, and the Grantee Accountability & Transparency Act (GATA). These can have a significant impact on the costs and complexity of a project. Applicants who receive a grant award will be expected to submit signed assurances that they will comply with all federal mandates. Some areas which applicants must comply with include:

- The National Environmental Policy Act (NEPA) which establishes procedures for protecting the environment. In order to use the CDBG funds awarded to a local government, the grantee has to comply with environmental procedures, standards and guidelines mandated by NEPA and all other applicable environmental regulations (e.g., prime farmland protection, historic preservation, floodplain hazards, etc.).
- The Interagency Wetland Policy Act of 1989 requires applicants to certify that the proposed project is compatible with established State of Illinois policy regarding wetlands (i.e., to minimize the destruction of existing wetlands in Illinois as a result of State and State-supported activity). The Federal Wetlands Protection regulations at 24 CFR 58.5(b)(2), Executive Order 11990 and HUD FFRMS also apply.
- The Illinois Endangered Species Protection Act and the Illinois Natural Area Preservation Act & Federal Endangered Species Act of 1973 Compliance requires consultation with the Endangered Species Consultation Program of the Illinois Department of Natural Resources to assure compliance. The consultation process must be implemented to avoid or minimize adverse impacts to State-listed species and their essential habitats that may result from the actions of state and local units of government. Applicants must certify the completion of the consultation process, as well as Federal Endangered Species Compliance under 24 CFR 58.5(e). This process can be initiated through the U.S. Fish & Wildlife Service Endangered Species website (<https://www.fws.gov/endangered/>).
- The Davis-Bacon Prevailing Wage Act requires the payment of prevailing wages for all construction funded in whole or in part with federal funds, including funds passed through to private firms. If your project involves construction and/or equipment installation, go to <https://dceo.illinois.gov/communitydevelopment/davisbaconresources.html> for information concerning the applicability of federal labor standards. Demolition, not in furtherance of re-development, does not require compliance with Davis-Bacon.
- The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1987 applies to federally assisted activities that involve the acquisition of real property or the displacement of persons, including displacement caused by rehabilitation and demolition activities. Any person or business displaced as a direct result of federal assistance must be provided with Uniform Relocation benefits.
- Equal Opportunity and Fair Housing Accessibility Laws require that CDBG grantees administer their project in a manner that affirmatively furthers equal opportunity and fair housing. All CDBG grantees will be required to undertake specific activities to further fair housing. CDBG grantees must assure all activities and services are accessible to persons with disabilities.
- Section 3 under the Housing and Urban Development Act of 1968 requires recipients to give, to the greatest extent feasible and consistent with the existing federal, state, and local laws and regulations, job training, employment, contracting and other economic opportunities to Section 3 residents and Section 3 business concerns. For more information on Section 3, please see <https://dceo.illinois.gov/communitydevelopment/section3.html>
- The National Emission Standards for Hazardous Air Pollutants (NESHAP) of the U.S. Clean Air Act assures that, when existing buildings are demolished and/or renovated, people outside of those buildings (i.e., passers-by or neighborhood residents) are protected from airborne asbestos. If asbestos materials are involved in the rehabilitation work, the applicant must contact the Field Operations Section, Bureau of Air of the Illinois Environmental Protection Agency to ensure compliance with Asbestos NESHAP.

- Build America Buy America Standards set forth in the Infrastructure Investment and Jobs Act. The Grantee must comply with the requirements of the Build America, Buy America (BABA) Act, 41 USC 8301 note, and all applicable rules and notices, as may be amended, if applicable to the Grantee's infrastructure project. Pursuant to HUD's Notice, "Public Interest Phased Implementation Waiver for FY 2022 and 2023 of Build America, Buy America Provisions as Applied to Recipients of HUD Federal Financial Assistance" (88 FR 17001), any funds obligated by HUD on or after the applicable listed effective dates, are subject to BABA requirements, unless excepted by a waiver. BABA does not apply to the Housing Rehabilitation program, or to the CDBG-CV funded Demolition program.

Successful applicants will receive a Notice of State Award Finalist (NOSAF) specifying terms and conditions of the grant. This will include completion of Environmentals (including "before" pictures for Tier II Housing Rehabilitation projects), clearance of special conditions resulting from the application review, and acknowledgement letters to the locality's federal-level Senators and Representative. GRANTEES MUST COMPLETE ALL REQUIREMENTS IDENTIFIED ON THE NOTICE OF STATE AWARD FINALIST (NOSAF) WITHIN 90 DAYS OF THE NOSAF DATE. If not completed, the Chief Elected Official and Grant Administrator will be notified and a two-week extension provided. FAILURE TO COMPLETE OUTSTANDING REQUIREMENTS WITHIN 104 DAYS OF THE NOSAF DATE WILL RESULT IN FORFEITURE OF THE GRANT AWARD.

DCEO will hold a mandatory Grant Administration Workshop after Awards are announced. All Grant Administrators assigned to an awarded grant that have not attended a Grant Administration Workshop in the last calendar year are required to attend.

DCEO will hold mandatory Grantee Workshops in two regions each year. All Grantees receiving an award must be represented by at least one Local Government (Grantee) Contact at one of the Workshops. The Mayor or a Councilman and the person handling the finances is preferred. If a Grantee does not attend either Workshop with appropriate representation, the grant will be withdrawn.

Once terms are accepted, and the conditions met, the Grantee will receive a Notice of State Award (NOSA) which includes information regarding your entity, grant funding, grant terms and conditions, and specific conditions assigned to the grant based on the risk assessments. In order to receive the formal Grant Agreement, the Grantee must indicate agreement to the contents of the NOSA by remitting its acceptance through Grantee Portal (<https://grants.illinois.gov/portal>).

After the Grantee has submitted all applicable documents, they will receive a formal Grant Agreement with further instructions. Grantees will be expected to sign and return the agreement within 30 days for formal execution by the Department.

3. Reporting.

Periodic Performance Report (PPR) and Periodic Financial Report (PFR)

Grantees funded through this NOFO are required to submit in the format required by the Grantor, at least on a quarterly basis, the PPR and PFR electronically to their assigned grant manager. The first of such reports shall cover the first three months after the award begins. Pursuant to 2 CFR 200.328, Periodic Financial Reports shall be submitted no later than 30 calendar days following the period covered by the report. Pursuant to 2 CFR 200.329, Periodic Performance Reports shall be submitted no later than 30 calendar days following the period covered by the report. Any additional reporting requirements will be disclosed in the NOSA. Grantees are required within 45 calendar days following the end of the period of performance to submit a final closeout report in the format required by the Grantor (See 2 CFR 200.344).

Monitoring

Grantees funded through this NOFO are subject to fiscal and programmatic monitoring visits by the Department in accordance with 2 CFR 200.337. They must have an open-door policy allowing periodic visits by Department monitors to evaluate the progress of the project and provide documentation upon request of the monitor. Program staff will also maintain contact with participants and monitor progress and performance of the contracts. The Department may modify grants based on performance.

Audit

Grantees shall be subject to Illinois' statewide Audit Report Review requirements. Terms of the Single Audit Act Amendments of 1996 (31 USC 7501-7507), Subpart F of 2 CFR Part 200, and the audit rules set forth under the Grant Accountability and Transparency Act Admin Rules shall apply (See 44 IL Admin Code 7000.90).

Notice of Contract Award

The Notice of Contract Award must be submitted to the Department within 30 days of the award of any construction contract.

Grant Evaluation Report

The final report covering final expenditures and deliverables of the grant must be submitted to the Department within 60 days of the grant closing.

G. State Awarding Agency Contact(s)

Grant Help Desk
Illinois Department of Commerce & Economic Opportunity
Email: CEO.GrantHelp@illinois.gov

H. Other Information, if applicable

The Community Development Block Grant (CDBG) Community Revitalization program is available once the NOFO is posted and until all funding is exhausted. Other CDBG programs include Public Infrastructure, Housing Rehabilitation and Disaster Response. More information on CDBG programs can be found at:

<https://dceo.illinois.gov/communitydevelopment.html>.

All Community Development Block Grant application information and forms are contained in an annual Guidebook, which is the basis of the Action Plan approved by the U.S. Department of Housing and Urban Development. The Guidebook (in Microsoft Word) can be found at:

<https://dceo.illinois.gov/communitydevelopment.html>.

The applicable Sections of the Guidebook for the CDBG Community Revitalization program are Sections I, II, V, and IX. These Sections have been formatted as a pdf and attached to this Notice of Funding Opportunity as Appendix A.