

**SECTION I**

**OBJECTIVES AND GENERAL APPLICANT INFORMATION**

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**Federal and State Program Objectives**

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.

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:

1. Benefiting low-to-moderate income (LMI) persons; or
2. Aiding in the prevention or elimination of slums and blight; or
3. 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:

1. Strengthen community economic development through the creation of jobs, stimulation of private investment and strengthening the tax base;
2. Improve public infrastructure and eliminate conditions which are detrimental to health, safety and public welfare; and
3. 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.

Within the statutory requirements of the Act, Illinois has the flexibility to design its own program objectives and procedures for program administration and to develop criteria for selection of grant recipients. CDBG offers a variety of financial assistance programs which have been designed to meet locally defined community needs.

**GENERAL APPLICANT INFORMATION**

A. **Funding Availability**

The State’s 2024 Community Development Block Grant allocation from the U.S. Department of Housing and Urban Development (HUD) was $29,464,578 and is being used as the basis for funding below. The amount of CDBG funding for Program Year 2025 will not be determined until Congress passes the budget. We anticipate the 2025 budgets for Public Infrastructure, Housing Rehabilitation and Economic Development to be within 5% of the amounts allocated in 2024.

HUD regulations provide that three percent (3%) of the allocation plus $100,000 can be used for administration and technical assistance for the State-administered program. In case of unforeseen circumstances, the Department reserves the right to adjust allocations to address specific needs to benefit Illinois’ non-entitlement communities.

Each program component has a maximum funding level or grant ceiling. While grant ceilings establish the upper limits that may be requested, individual grants are invited only in amounts commensurate with requirements of the proposed project.

The Department has established a minimum grant award level of $300,000 for all programs with the exception of Disaster Response. Applications for less than the minimum grant will not be accepted.

Fund availability from the 2025 allocation will be distributed as follows:

|  |  |  |  |
| --- | --- | --- | --- |
| **Program Category** | **Budget** | **Grant Ceiling** | **Application**  **Dates** |
|  |  |  |  |
| ***Competitive Programs*** |  |  |  |
| Public Infrastructure (PI) | **$19,500,000** | $1,000,000 | 12/4/24 |
| Housing Rehabilitation (HR) | **$7,000,000** | $650,000 | 12/4/24 |
|  |  |  |  |
| ***Ongoing (non-competitive) Programs*** |  |  |  |
| Economic Development (ED) | **$1,980,641** | $1,000,000 | *Rolling* |
| Disaster Response (DR) | **$0.00** | $250,000 | *NA* |

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Although no funds are specifically allocated for the Disaster Response program, the Department will adjust allocations if a need arises

B. **Eligible Applicants**

Only units of general local government (i.e., cities, villages, townships and counties) may apply for funding. Municipalities must not be a HUD direct Entitlement community or be located in an urban county that receives "entitlement" funds. **County and township applicants should 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.

**Units of local government may apply for one grant per competitive program per year. Applicants that received a grant in the previous year must demonstrate reasonable progress by the time the application is reviewed, or it will not be considered.** Applications that further a project in progress, whether funded with or without CDBG funds, will not be accepted.

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>.

**C. INELIGIBLE COMMUNITIES**

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 2025, Illinois has 33 metropolitan cities and eight urban counties named as Entitlements. They are:

**Urban Counties\***

|  |  |
| --- | --- |
| Cook County | Madison County |
| DuPage County | McHenry County |
| Kane County | St. Clair County |
| Lake County | Will County |

**Metropolitan Cities**

|  |  |  |  |
| --- | --- | --- | --- |
| Arlington Heights | DeKalb | Mount Prospect | Rantoul |
| Aurora | Des Plaines | Naperville | Rockford |
| Berwyn | Elgin | Normal | Rock Island |
| Bloomington | Evanston | Oak Lawn | Schaumburg |
| Champaign | Hoffman Estates | Oak Park | Skokie |
| Chicago | Joliet | Palatine | Springfield |
| Cicero | Kankakee | Pekin | Urbana |
| Danville | Moline | Peoria | Waukegan |
| Decatur |  |  |  |

\*Some local governments within Urban Counties have opted out of the County Entitlement. Those communities are eligible for the State-Administered program upon furnishing documentation of the opt-out.

D. **APPLICATION MATERIALS**

**All original Application Forms and Materials as shown in the Guidebook must be utilized**. The Department WILL designate an application “DO NOT FUND”, and not complete the rest of its’ scoring for the following reasons:

1. Using self-created forms;
2. Adding to or removing any language in forms.
3. Forged, copied, taped, pasted or any alterations to original signatures or dates;

All Letters, Notices, Resolutions, Agreements or other communication provided by the unit of local government as part of the application must be of the exact verbiage contained in the Guidebook, be on the applicant community’s official letterhead and have original signatures where required.

All application forms and certifications requiring signature must be signed by the Chief Elected Official of the applicant community, unless otherwise noted.

E. **Technical Assistance**

If you have any questions concerning the application process, please call the Department at (217) 558-4222 or contact the CDBG Grant Manager for your program and area.

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