

**SECTION V**

**ECONOMIC DEVELOPMENT**

**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: 420-75-1631

CSFA TITLE: COMMUNITY DEVELOPMENT BLOCK GRANTS

ECONOMIC DEVELOPMENT PROGRAM

DCEO FUNDING OPPORTUNITY NUMBER: 24-1

DCEO FUNDING OPPORTUNITY TITLE: CDBG ECONOMIC DEVELOPMENT PROGRAM

Applications may be submitted based on the published Guidebook and awarded until the allocated funds are exhausted. The Guidebook and required supporting documentation for the application can be found at: [Community Development - Community Development (illinois.gov)](https://dceo.illinois.gov/communitydevelopment.html) **Sections I, II and VII apply to all program elements. Please be certain to review these sections as well as the specific programmatic section of the Guidebook.**

# ECONOMIC DEVELOPMENT COMPONENT REQUIREMENTS

1. **APPLICATION REQUIREMENTS**

Based on 2023 HUD allocations, the Department has allocated $1,980,641 for 2023 in block grant funds to this program component and established a grant ceiling of $1,000,000. The Economic Development component funds are available on an as-needed basis throughout the year to all eligible applicants meeting program component requirements until all funds allocated to this component have been distributed. Additional funds may be available. All awards in this category are predicated upon project feasibility and a demonstrated need for funds. This will include a review of all sources and uses of funds, an analysis of the recipient’s ability to comply with the terms of the program, and a determination that CDBG participation is appropriate.

Only projects that create and/or retain permanent jobs will be funded. Projects should attract sizable private investment, have solid commitments to create or retain permanent jobs and demonstrate financial feasibility and benefit to low-to-moderate income persons. Financial feasibility is determined by the anticipated project in relation to the company’s ability to maintain continuous operation beneficial to the public based on the anticipated operations costs, of less than or equal to anticipated income, or the availability of equity to cover any shortfalls as identified in the review of the company’s historical financial statements. Further, there must be evidence that the project and related investment would not occur without CDBG involvement.

CDBG Economic Development funds may be used to assist private for-profit and not-for-profit businesses to carry out economic development projects.

The Department will consider applications for businesses that identify with the following North American Industry Classification System (NAICS) codes:

Sector Description

11 Agriculture, Forestry, Fishing and Hunting

21 Mining, Quarrying, and Oil and Gas Extraction

23 Construction

31-33 Manufacturing

42 Wholesale Trade

48-49 Transportation and Warehousing

62 Health Care and Social Assistance

CDBG grant funds are granted to communities to be provided as financial assistance to a private for-profit or not-for-profit entity which must document the need for grant assistance.

Businesses must enter into financial assistance agreement, referred to as the “Participation Agreement”, at agreed upon terms. The Department will negotiate the conditions for financial assistance.

B. **Eligible Activities**

The business may use funds in the form of a grant for “direct benefit” of the business:

* Acquisition of land or building;
* Purchase or installation of fixtures and equipment;
* Construction, reconstruction, installation or rehabilitation of commercial or industrial buildings, structures and other real property);
* Leasehold improvements; and
* Working capital expenses (inventory, employee salaries, general operating expenses and advertising/marketing expenses.

Units of local government may use CDBG funds in the form of a grant for public infrastructure improvements in support of economic development as an “indirect benefit” of the business.

C. **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.

3. Costs of operating and maintaining public infrastructure and services (e.g., mowing parks, replacing street light bulbs).

4. Servicing or refinancing of existing debt.

5. Marijuana projects for medical and/or recreational purposes.

The following activities are **generally ineligible** under the CDBG Economic Development program components and (without special waiver or explicit approval) from the US Department of HUD:

6. Assistance to professional sports teams;

7. Assistance to privately-owned recreational facilities that serve a predominantly higher-income clientele where the benefit to such clientele clearly outweighs employment or other benefits to low-to-moderate income persons;

8. Acquisition of land, for speculative purposes, for which no specific proposed use has been identified;

9. Additional assistance to a for-profit business while that business is the subject of unresolved findings of noncompliance relating to previous CDBG assistance;

10. Projects that provide direct support for gambling or construction of facilities that have gambling as their principal purpose; and

11. Projects that involve the use of marijuana for medical and/or recreational purposes.

12. **Prohibition Against the use of CDBG Program Resources and Assistance for Job-Pirating Activities**

By both federal statute [HCDA, codified at 42 U.S.C. §5305(h)] and HUD regulation 24 C.F.R. §570.482(h) that govern the CDBG program, anti-pirating policies were established, prohibiting the states (and state grantees) from using CDBG funds for “job-pirating” activities that result in significant job loss in a defined Labor Market Area ("LMA") from which the business is relocating. The regulation targets businesses that move (or expand) their existing operations from one *Labor Market Area* to another. Relocations within a LMA are not subject to the anti-pirating regulations.

The regulations prohibit CDBG recipients from providing CDBG funds to businesses (including expansions of existing businesses) (1) *if* the funding will assist in the relocation of a plant, facility, or operation (terms defined in the regulations) – and – (2) *if* the relocation will result in "significant loss of jobs in the LMA from which the relocation occurs. A “significant job loss” is defined as follows:

* **500 or more jobs lost** in a *Labor Market Area* is always considered a significant loss; and thus CDBG funds cannot be used in such cases.
* **26-499 jobs lost** may be significant job loss if the lost jobs are equal to or greater than one-tenth of one percent (0.1%) of the total number of persons in the labor force of the *Labor Market Area* from which the proposed business relocation would occur. As an example, 26 jobs lost would be a significant job loss in a LMA with a labor force size of 26,000 people.
* **25 or fewer jobs lost** in a LMA is not a significant loss; and thus not a job-pirating problem, allowing CDBG funds to be used in such cases.

Grants to communities for infrastructure improvements and/or as “direct” assistance to a business that aid in the relocation of a specific business are covered by this anti-pirating rule, being considered the same as directly assisting the relocating business.

Under the regulations, a job will be considered to have been relocated if positions are eliminated at an existing operation within three (3) years of the time when CDBG funding assistance was provided to the expansion site operation of the business.

Certifications (by the business, as to non-relocation of jobs) are required by the regulations to be part of the agreement which governs CDBG assistance to the business. These certifications are made by the business, not by the grantee.

The business must also contractually agree that if significant job losses do occur (within a 3-year window) at an existing location from which an expansion was CDBG assisted, then the business will reimburse the CDBG recipient (the community) for CDBG assistance provided to the business (directly) or expended on behalf of the business (e.g., infrastructure improvement project). These certifications and agreements to reimburse, by the business, must be a part of the MOU for the project.

The *Labor Market Areas* defined by the U.S. Department of Labor will be used. The designations of the LMAs and labor force data are found at the Bureau of Labor Standards website at <http://www.bls.gov/>.

The HUD regulations in this area are very detailed. The guidelines explanations above are not intended to be a full explanation of this restriction. The full text of the regulations must be read and understood in order to achieve compliance. See Section II, B State and Federal Compliance Areas.

D. **SPECIAL REQUIREMENTS FOR ECONOMIC DEVELOPMENT**

The following requirements, in addition to those listed in Section II, apply to applications submitted for consideration under the CDBG-Economic Development component.

1. Project Costs and Funding Information. All projects are assessed to determine whether CDBG funding is appropriate. The business must submit supporting financial data as indicated on the “BUSINESS FINANCIAL DOCUMENTATION CHECKLIST – FINANCIAL ASSISTANCE” contained in Section V, Part J. The following elements are included in the Department's determination of whether funding is appropriate and whether the activity complies with the guidelines for evaluating project costs and financial requirements set forth in 24 CFR 570.209(a):

* The Department will review each project cost element to determine that the cost is reasonable and consistent with third-party, fair-market prices for that cost element.
* The Department will review all projected sources of funds necessary to complete the project. The applicant must verify that all sources (in particular private debt and equity financing) have been firmly committed and are available to be invested in the project at the time CDBG funds are awarded.
* A financial review will be conducted to ensure that CDBG funds are not being substituted for available private debt financing or equity capital.

The amount of CDBG grant assistance provided to a business will be limited to the amount, with appropriate terms and conditions, sufficient to allow the project to go forward without substituting CDBG funds for available private debt or cash equity.

2. The Department will conduct a financial analysis of the assisted company in relation to the proposed project and assess the risk of potential project failure. The project benefit is weighed by the number of jobs created and/or retained; the type of jobs created and/or retained; private funds invested; and the level of distress of the area that will benefit from the project (i.e., the county rate of unemployment as compared to the state-wide average). The Department may approve the project if it determines that the risk is reasonable, that is, the potential benefit outweighs the potential financial risk.

3. The following are examples of what will generally be required for all businesses as a condition of a CDBG grant closing:

* Written evidence of finalization of all financing (copies of promissory notes and commitment letters);
* Finalization and documentation of all project costs (a detailed narrative for all non-CDBG activities with corresponding costs) and independent vendor cost estimates which verifies expenditures associated with CDBG activities;

4. Local Governments that will own and operate the improvement, e.g., water or sanitary district (Infrastructure Projects only) must provide a detailed narrative regarding their lack of capacity to fund the project without CDBG assistance. The financial representative of the local government must sign the narrative and attest the project cannot be completed without CDBG funding. A copy of their most recent certified local government audit may be requested to further clarify the need.

5. As a condition of the award of a grant for the construction of public infrastructure in support of economic development and/or as a grant for “direct” assistance to a business, the grantee will be required to enter into a “Participation Agreement” or what is commonly known as a “claw back agreement” with the business regarding the specific CDBG project objectives, e.g., investment, jobs, low-to-moderate income benefit, and the applicable sanctions that may be applied if those objectives are not satisfied.

6. In addition, all economic development grant applications for public infrastructure must meet the requirements in Section V, Part C.

7. For successful applicants, the Department will issue a written Notice of State Award Finalist (NOSAF) which will contain the conditions attendant to the grant. In addition, the Department will participate in the drafting of the Participation Agreements. A Grant Agreement will be executed when all outstanding grant conditions are met.

8. **Grant Funds Provided as Financial Assistance to a Business in Support of Economic Development commonly referred to as “Direct” Assistance.**

a. Assessments Connected with the Participating Business. The participating business must meet one of the following criteria in determining the appropriate level of financial assistance:

* Financing Gap Assessment - This assessment will be utilized in assisting the Department in determining whether a business, or in the case of an infrastructure grant, the unit of local government can raise only a portion of the financing necessary to complete a project.
* Location (Site Selection) Assessment - This assessment will be made when a firm or business is considering multi-state location options. CDBG funds are needed to equalize cost factor variations between sites. The Department will generally request cost disclosures for each site under consideration.

b. Certificate of Good Standing from the Illinois Secretary of State and the Illinois Department of Revenue.

9. **Grant Funds for Public Infrastructure in Support of Economic Development**

a. All projects are reviewed to determine whether CDBG funds are appropriate. Businesses must submit supporting financial data as indicated on the “BUSINESS FINANCIAL DOCUMENTATION CHECKLIST –INFRASTRUCTURE” contained in Section V, Part L. The following elements are included in the Department’s determination of appropriate:

b. Confirmation by the appropriate legal authority that all infrastructure related activities will take place on publicly-owned property.

c. For infrastructure related projects, the unit of local government must demonstrate the financial gap argument as the sole rationale for funding.

10. *Supersedes Section II (A)(16)* For Economic Development grants ONLY, environmental review activities may take place once an application has been received by the Department.

E. **ADDITIONAL PROGRAM INFORMATION AND REQUIREMENTS**

In addition to other requirements and guidance, the following also applies:

* 1. Once applications have been submitted and reviewed for viability, the Program Manager will contact the applicant regarding Environmentals.  Applicants may only make initial contact with State environmental clearance agencies at that point in time, in accordance with the fuller Federal NEPA requirements to be outlined in the NOSAF presented in Section II, Part E.  As this process takes time, it behooves the applicant and the business to start early.  State agencies to contact are:  Illinois Environmental Protection Agency; Illinois Department of Agriculture; Illinois Department of Natural Resources (through EcoCAT) and the Illinois’ SHPO at IDNR.
  2. Definitions (ED Projects). To assist applicants in the preparation of their CDBG applications, certain terms are defined below:

Project Investment – a financial contribution which includes other sources of private and public financing. Other sources may include the U.S. Department of Commerce, Economic Development Administration, U.S. Small Business Administration, Illinois Environmental Protection Agency, and USDA Rural Development. Project Investment may also include unencumbered cash equity infusion by either the owner(s) of the company or by the corporation itself. Machinery and equipment brought into the state from another state are an additional source of project investment. (The value will be determined based upon market value.) Under-utilized land and/or buildings will also be considered when the appraised value qualifies them as under-utilized. There are exclusions to the project investment definition, and the following exceptions apply:

1. CDBG costs that are integrated with the project and incurred prior to date of grant award will result in a project ineligible for CDBG assistance;
2. Non-CDBG cost incurred prior to the NOSA will be disqualified.
3. Retained earnings will not be considered cash equity;
4. Funds from other Department funded programs, e.g., Weatherization, although they may be used to further the project; will not be considered eligible leverage.
5. The Illinois Department of Transportation (IDOT) may not recognize CDBG funds as leverage against their program funds. However, DCEO does recognize IDOT as a legitimate source of match funds. Please check IDOT staff in determining the eligibility requirements prior to submitting the CDBG application;
6. Existing in-state equipment, land, buildings, furnishings, inventory, etc., already owned and paid for and being utilized will not be considered project investment (not including under-utilized land/buildings). Inventory (both existing in Illinois and/or brought into the state from another state) is not considered project investment;
7. Contracts for Deed without a due and payable clause or which are an apparent substitution for simple rent will not be counted as project investment; and
8. Post project costs such as operational expenses will not be considered. Post Operating Expenses are business costs incurred during the "project" as defined, which are funded from future internally generated sources of cash. Typical situations which constitute post-operational costs are: 1) future retained earnings to finance project activities; 2) the future sale of excess equipment and other non-operating sources of income; and 3) the recognition of future increases in operating costs from the completion of the cash-to-cash inventory and accounts receivable cycles.

Term Loan – from a lender representing leverage funds an amortization loan of a defined duration of at least one year.

Equity - tangible assets such as cash, under-utilized land and/or buildings and machinery/equipment located out of state which is unencumbered and available to be put into the project. Cash must be immediately available and unencumbered at the time CDBG funds are awarded. Machinery and equipment will be accepted at their market value. Land and buildings will be accepted at their fair market value.

F. **PROJECT SUMMARY**

Provide a detailed description of the project. This should include a brief description of the company, e.g., type of firm and its product or service. Describe how the CDBG funds will be used and reasons why they are needed in order for the company to be in a position to create and/or retain jobs, and its ability to make an investment in the community. Explain what circumstances make this project necessary, e.g., adding machinery or working capital to accommodate new sales, or extending infrastructure to provide for a new company or company expansion. Indicate the number of jobs to be created or retained as a result of the project.

Specify other financing that will be expended as part of the project. Private investment financing that is discussed in the Project Summary narrative should be detailed in the CDBG Private Investment Information form and should be documented by the inclusion of additional funding commitment letters.

A firm commitment from a financial institution must include: language which indicates that the loan has been approved subject to CDBG approval and that the institution will lend subject to certain conditions; the specific dollar amount of the loan; the specific term of the loan; the interest rate of the loan; and specific collateral or security. The lender's letter should also discuss the reasons why the lender cannot or will not provide additional funds for the project.

A firm commitment to purchase a revenue bond must include: an executed bond inducement resolution and a firm commitment to purchase the bond.

If an investment banking firm is making the commitment to purchase the bond, the commitment letter must state the "commitment to purchase the bond". Letters which indicate a willingness to offer the bonds for sale on a "best efforts" basis are not satisfactory commitments. The investment banking firm must be willing to hold the bond in its own portfolio should adequate numbers of buyers not be found in the market place. If the commitment to purchase the bond comes from a financial institution, the commitment to purchase must satisfy the requirements for "Loans from Financial Institutions" as described above.

G. **PROJECT LOCATION MAP**

A project map must be included in the application. It should show the boundaries of the applicable unit of local government, the location of any floodplain areas, and any existing Enterprise Zones or TIF districts. If the project includes public infrastructure activities, the map must sufficiently detail those improvements and their location. All infrastructure improvements must be made on publicly owned property.

H**. APPLICATION REVIEW AND EVALUATION PROCESS**

The screening and review process for the program is designed to ensure that limited CDBG program 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. All recommendations are forwarded to the Director's Office, for final funding decisions; however, all decisions will be based on the general distribution of funds outlined in Section I.

The criteria noted below will be used to evaluate all applications requesting funding under the CDBG Economic Development component, as well as determine the appropriate level of financial assistance:

1. Project Benefit
2. CDBG National Objectives
3. CDBG Dollars
4. Resource Funding
5. Application Denial
6. **Project Benefit**

Five factors will be considered under this criterion:

a. Project Need - Describe in sufficient detail the need for the project and the specific role of CDBG in the project, including any other options which have been pursued.

Evidence of project need is demonstrated through a well-developed justification for public financing demonstrating either a location and/or financial gap argument. The discussion should also address why other financing options could not be obtained or are not feasible and repercussions if funding is denied. The company must demonstrate the need for program funds by including evidence that the project’s financing cannot be obtained without Department participation at an interest rate and term that makes the project viable in conjunction with additional funds.

b. Project Readiness - Describe the activities that will be undertaken for this project with an emphasis upon project specifics, the reasonableness of activities, their timelines and how the needs, activities and projected impact will interrelate.

c. Financial Evaluation - Provide adequate documentation of project feasibility and the company's ability to bring the project to fruition. Financial feasibility of the project is a measure of the company’s ability to maintain continuous operation beneficial to the public interests as determined by anticipated operational costs, of less than or equal to the anticipated income or the availability of equity to cover any shortfall based on historical and projected financial statements. For guidance on specific information to be submitted, refer to Section V, Part L.

d. Commitments for Job Creation/Retention - Provide firm assurances from the borrower (employer) regarding the number of permanent jobs to be created or retained for low-to-moderate income persons, types of positions and the time frame for job creation, not to exceed 24 months.

e. Resource Leveraging - Provide evidence of any firm commitments from lenders and investors for the non-CDBG funded portion of the project. Refer to the sample leverage commitment letter in Section V, Part J.

Full-Time Equivalent (FTE) job - Under the CDBG Economic Development program, 1,950 hours of permanent employment in a 12-month period by one or more positions constitutes a full-time-equivalent position. Full-time permanent positions should be identified independently from that of part-time, temporary or seasonal jobs.

2. **CDBG** **National Objective - Benefit to Low-to-Moderate Income Persons**

Applicant projects must benefit at least 51.0 percent low-to-moderate income (LMI) persons. All applicants must identify the methodology used to determine the percentage of project benefit to LMI persons. The Analysis of Benefit to Low-to-Moderate Income Persons form will be used to determine benefit. At the time of closeout of the project 51.0 percent of the total number of actual jobs created and/or retained must benefit LMI persons. If the Department determines that the Grantee has failed to comply with any of the covenants, terms, conditions, or provisions of the Grant Agreement (i.e., failure to create/retain specified number of jobs), the Department shall terminate the Agreement. The Grantee shall not incur any costs after the effective date of the termination; and payments made to the Grantee or recovery by the Department shall be in accord with the legal rights and liabilities of the parties.

3. **CDBG Dollars to Full-time Equivalent (FTE) Jobs Ratio**

This factor considers the number of **permanent** FTE jobs to be created and/or retained with CDBG dollars within a specified period, with a maximum period of 24 months from the date funds are awarded based upon the written commitment of the borrower (employer). Projects must demonstrate at least one FTE job will be created and/or retained for a specified dollar ratio of CDBG funds, not to exceed the amount allowed by federal law.

Generally, for retention of jobs, funding will not exceed $10,000 per job and for job creation, maximum assistance is set at $25,000 per job.

The dollar per jobs ratio will be determined on project risk. No exceptions will be made. (No credit will be given for temporary construction jobs or other temporary jobs that are credited for the duration of the project.)

4. **Resource Leveraging**

This considers the ratio of other (non-CDBG) funds to total CDBG funds being invested in the project. Only those funds firmly documented will be accepted as leverage.

Projects which do not benefit at least 51.0 percent low-to-moderate income persons will not be reviewed further. Each application will be evaluated according to the evaluation criteria described above. After reviewing each application, site visits may be made for the purpose of verifying information and further evaluating projects. The Department reserves the right to collect additional project documentation. Characteristics that will be considered in the final funding decision include the following:

* + demonstrated need for CDBG financial assistance;
  + capacity to implement the project immediately and complete it in the shortest time possible;
  + financial soundness and design of a project; and/or
  + coordinated use of other resources.

1. **Application Denial**

For applications that are not funded, denial reasons may include but are not limited to the following:

* + No justification of the need for funds;
  + Project commenced, e.g., leverage/CDBG funds committed prior to Department approval;
  + Projected financial data, particularly sales growth, is not documented;
  + Evidence that program funds replace sources of capital available to the business and/or community;
  + CDBG Economic Development funding has been exhausted.

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 application, along with completion of the Internal Controls Questionnaire for Fiscal Year 2023.

1. **State of Illinois Uniform Grant Application** Available at: <https://www2.illinois.gov/dceo/CommunityDevelopment/Pages/CDBG_Programs.aspx>
2. **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.
3. **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>).
4. **SAM Registration/UEI#:** 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.**

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

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

**In Person:**

Illinois Department of Commerce and Economic Opportunity

Office of Community Development

1020 South Spring Street

Springfield, IL 62704

**Or mailed to:**

Illinois Department of Commerce and Economic Opportunity

Office of Community Development

1011 South 2nd Street

Springfield, IL 62704

Applications for the Economic Development components may be submitted on an as-needed basis.

**PACKAGING YOUR APPLICATION**

All grant application materials **must** be:

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

For Example:

VILLAGE OF ABRACADABRA

2025 Economic Development (Financial Assistance)

Original

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

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

1. **All Application Materials** (Application Forms and documentation). *Clearly label the original***.**

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

# SECTION V

**ECONOMIC DEVELOPMENT**

**J. APPLICATION FORMS**

**CDBG Economic Development Application Submission Checklist**

All CDBG applications will be screened for completeness. Applicants must complete and submit this checklist with the application. **Please ensure your Application includes all of the listed information.**. Use the right-hand column, labeled "Page Number" to indicate the page for each item.

\_\_\_\_ Original grant application (*indicate the "original" on the cover*)

\_\_\_\_ A copy of the grant application

PROJECT INFORMATION PAGE NUMBER

\_\_\_\_ Letter of Transmittal from Chief Elected Official \_\_\_\_\_\_

\_\_\_\_ Completed Submission Checklist (This Page) \_\_\_\_\_\_

\_\_\_\_ State of Illinois - DCEO Uniform Grant Application (See Section VII) \_\_\_\_\_\_

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

\_\_\_\_ Local Government Financial Checklist \_\_\_\_\_\_

\_\_\_\_ Project Summary and Need for Assistance \_\_\_\_\_\_

\_\_\_\_ Project Location Map(s) \_\_\_\_\_\_

\_\_\_\_ CDBG Economic Development Fact Sheet – Supported Company Information \_\_\_\_\_\_

\_\_\_\_ Economic Development Working Cost Estimate \_\_\_\_\_\_

\_\_\_\_ Vendor Cost Estimates for CDBG-related activities \_\_\_\_\_\_

\_\_\_\_ Projected Jobs Created/Jobs Retained Information \_\_\_\_\_\_

\_\_\_\_ Analysis of Benefit to Low-to-Moderate Income Persons \_\_\_\_\_\_

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

LOCAL GOVERNMENT DOCUMENTATION, CERTIFICATIONS, RESOLUTIONS

**Citizen Participation: 7-Day Notice/Public Hearings**

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

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

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

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

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

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

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

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

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

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

\_\_\_\_ Signed Contract for provision of Activity Delivery, (In Section II) \_\_\_\_\_\_

\_\_\_\_ Completed Exempt-CENST-ER-Format form, if applicable (In Section II) \_\_\_\_\_\_

\_\_\_\_ W-9 (for Local Government) \_\_\_\_\_\_

\_\_\_\_ SAM Registration (CAGE # - for Local Government) \_\_\_\_\_\_

\_\_\_\_ IRS Certification Letter (for Local Government) \_\_\_\_\_\_

\_\_\_\_ Narrative regarding lack of capacity for project funding (Infrastructure Projects only) \_\_\_\_\_\_

\_\_\_\_ Public Investment Source Documentation \_\_\_\_\_\_

BUSINESS DOCUMENTATION, CERTIFICATIONS, RESOLUTIONS

\_\_\_\_ Business Certifications including Jobs to be Created/Retained \_\_\_\_\_\_

\_\_\_\_ Certificate of Good Standing from the Secretary of State of Illinois \_\_\_\_\_\_

\_\_\_\_ Corporate Financial Statements \_\_\_\_\_\_

\_\_\_\_ Articles and Certifications of Incorporation \_\_\_\_\_\_

\_\_\_\_ Copy of Corporate Bylaws \_\_\_\_\_\_

\_\_\_\_ Private Investment Source Documentation \_\_\_\_\_\_

\_\_\_\_ Designation of Authorized Official, if applicable \_\_\_\_\_\_

Letter of Transmittal

Date

Director's Office

Illinois Department of Commerce and Economic Opportunity

607 East Adams

Springfield, Illinois 62701

Dear Director:

The 1\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ is submitting an application for an economic development grant under the Community Development Block Grant (CDBG) Program for a 2\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ project. The grant request is in the amount of 3$\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ to be used to 4\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_. The benefit to low-to-moderate income individuals is 5\_\_\_\_\_%. The grant will be leveraged by 6$\_\_\_\_\_\_\_\_\_ in 7\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.

Very truly yours,

8

***– Delete Key prior to Submission –***

1Unit of Local Government;

2Type of E/D Project;

3Amount Requested;

4Use of funds;

5LMI Benefit Percentage;

6Leverage Amount;

7Leverage Source/Account;

8Signature Block (Chief Elected Official)

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

*(See Section VII for Form Information)*

NOTES on the UNIFORM APPLICATION FOR STATE GRANT ASSISTANCE:

* The name and contact information for Program/Project Matters (lines 23-30) should be the person who wrote the application.
* The name and contact information for the Business/Administrative Office (lines 31-38) should be the financial representative for the local government (City Treasurer, Clerk or other person responsible for financial accuracy of local government accounts).
* The authorized representative (lines 45-53) must be the Chief Elected Official.

**CDBG APPLICANT PROJECT INFORMATION**

**ECONOMIC DEVELOPMENT COMPONENT**

1. **PRE-APPLICATION REQUIREMENTS**

|  |  |
| --- | --- |
|  | DATE APPLICANT COMPLETED REGISTRATION ON GATA PORTAL (www.grants.illinois.gov) |

|  |  |
| --- | --- |
|  | DATE APPLICANT COMPLETED GATA’S “INTERNAL CONTROL QUESTIONNAIRE” (ICQ) |

**Council Resolution Information**

|  |  |
| --- | --- |
| Council Resolution Support Date (*MM/YY/DD)*: |  |
| Resolution Number: |  |

**II. CDBG Assistance Type:  *Financial Assistance*  *Public Infrastructure***

**Financial Breakdown of Project:**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Funding Source** | Amount |  | **Name of Investment Source** | |
| **CDBG Request** |  |  | **State of Illinois - DCEO** | |
| Local Public Funds |  |  |  | |
| Business Equity |  |  |  | |
| Business Loan |  |  |  | |
| Other Grants – identify source |  |  |  | |
| Other Grants – identify source |  |  |  | |
| Other – identify source |  |  |  | |
| Other – identify source |  |  |  | |
| Estimated Total Cost |  |  | Must equal line 29 of the Working Cost Estimate | |
| % of CDBG Funds/Total Cost: |  |  |  | |
|  |  |  |  |  |

**Select one of the following:**

FINANCING GAP - For Economic Development Grants, this argument will demonstrate that a business can raise only a portion of the financing necessary to complete the project. Banks and other financial institutions must disclose their legal lending units and other circumstances which would prevent them from financing the project without CDBG assistance. Reference the documentation within the application which supports the argument.

For Infrastructure related projects, the local government must demonstrate the financial gap argument as the sole rationale for funding. A detailed narrative must be provided to explain the reasons why the local government does not have the capacity to fund the project without CDBG assistance. The financial representative of the local government must sign the narrative and attest the project cannot be completed without CDBG funding.

LOCATIONAL – This argument is used when a firm is considering location options in more than one state and CDBG funds are needed to equalize cost factor variations between sites. This requires cost disclosures for each site under consideration. The application must contain this supporting documentation. This argument is not to be used as part of an application for infrastructure improvements.

**III. APPLICANT INFORMATION**

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

**IV. GRANT ADMINISTRATOR FOR THIS PROJECT**

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

**V. PROJECT ENGINEER**

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

**LOCAL GOVERNMENT FINANCIAL CHECKLIST**

NOTE: This form must be completed *only if seeking a public facilities grant* in support of an economic development project.

1. Please attach one copy of the most recent annual audit report.

2. Please provide the following information relative to the project for needing CDBG-ED funding:

Total Project Cost: $\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

CDBG-ED Grant Requested: $\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

3. Most recent Census Population: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

4. Current municipal government tax rate: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

5. Current aggregate tax rate for all local taxing bodies \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (e.g., county, township, school districts):

1. Equalized assessed valuation for 2024: $\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

2023: $\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

2022: $\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

2021: $\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

2020: $\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

7. What is the monthly charge for both 1,000 gallons of water and 1,000 gallons of sewage usage. For the **project site only**, **project user only.**

In Gallons

Water Monthly Charge, per 1,000 gallons $\_\_\_\_\_\_\_\_\_\_\_\_

Sewage Monthly Charge, per 1,000 gallons $\_\_\_\_\_\_\_\_\_\_\_\_

Water Rate Change: \_\_\_\_/\_\_\_\_/\_\_\_

Sewage Rate Change: \_\_\_\_/\_\_\_\_/\_\_\_

Projected water consumption per month \_\_\_\_\_\_\_\_\_\_\_\_

Projected sewer consumption per month \_\_\_\_\_\_\_\_\_\_\_\_

If retail project, projected annual retail sales as the result of the project $\_\_\_\_\_\_\_\_\_\_\_\_

Estimated Full Market Value of facility at its completed state $\_\_\_\_\_\_\_\_\_\_\_\_

**PROJECT SUMMARY AND NEED FOR ASSISTANCE:**

**PROJECT LOCATION MAPS**

**ECONOMIC DEVELOPMENT FACT SHEET - GENERAL SUPPORTED COMPANY INFORMATION**

**Name of Business this application is in support of*:***

Supported Company Name of Business:

Supported Company Address 1:

Supported Company Address 2:

Supported Company City:

Supported Company State:

Supported Company Zip: 99999-9999:

Supported Company eMail Address:

Supported Company FEIN:

Supported Company DUNS:

Supported Company SIC:

Supported Company Business Type:

|  |  |
| --- | --- |
| *\_\_\_\_Private Firm*  *\_\_\_\_Regional Planning Commission \_\_\_\_Government Agency \_\_\_\_Applicant*  NAICS Code: |  |

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | |  | |  | |  | |  | | |  | | | | |
| Supported Company Status: | | | | | |  | |  | | |  | | | | |
| Names of Parent, Affiliate(s) and Subsidiaries of the Supported Company with the percentages of ownership | | | | | | | | | | | | | | |  | |  |  |
|  | | |  | |  | |  | | |  | | |  |  |  | |  |  |
| Company Name | | |  | |  | | Last Name | | | First Name | | |  | Title | % of Ownership | | |  |
| *Supported Company Name of Business* | | | | | | |  | |  |  | |  |  |  | *percent* | | |  |
|  | | |  | |  | |  | |  |  | |  |  |  | *percent* | | |  |
|  | | |  | |  | |  | |  |  | |  |  |  | *percent* | | |  |
|  | | |  | |  | |  | |  |  | |  |  |  | *percent* | | |  |
|  | | |  | |  | |  | |  |  | |  |  |  | *percent* | | |  |
|  | | |  | |  | |  | |  |  | |  |  |  | *percent* | | |  |
|  | | |  | |  | |  | |  |  | |  |  |  | *percent* | | |  |
|  | | |  | |  | |  | |  |  | |  |  |  | *percent* | | |  |
|  | | |  | |  | |  | |  |  | |  |  |  | *percent* | | |  |
|  |

**Supported Company Authorized Signator Contact:**

Last Name:

First Name:

Title:

Daytime Phone:

Home Phone:

eMail:

Breakdown of Company Ownership:

(Total must equal 100%)

|  |  |  |  |
| --- | --- | --- | --- |
| Last Name | First Name | Title | % of Ownership |
|  |  |  | *percent* |
|  |  |  | *percent* |
|  |  |  | *percent* |
|  |  |  | *percent* |
|  |  |  | *percent* |
|  |  |  | *percent* |
|  |  |  | *percent* |
|  |  |  | *percent* |
|  |  |  | *percent* |
|  |  |  | *percent* |
| Officers of the Company: |  |  |  |
|  |  |  |  |
| Last Name | First Name | Title | % of Ownership |
|  |  |  | *percent* |
|  |  |  | *percent* |
|  |  |  | *percent* |
|  |  |  | *percent* |
|  |  |  | *percent* |
|  |  |  | *percent* |
|  |  |  | *percent* |
|  |  |  | *percent* |
|  |  |  | *percent* |
|  |  |  | *percent* |

BANKRUPTCY: Has the firm, officers or principals of the firm ever been involved in bankruptcy

insolvency procedures?

No

Yes

If yes, provide details:

PENDING LAWSUITS: Is the business or any officers or principals of the business involved in any lawsuits?

No

Yes

If yes, provide details:

**ECONOMIC DEVELOPMENT FACT SHEET --- GENERAL SUPPORTED COMPANY INFORMATION HISTORY**

**Provide a brief history of the business and past employment growth**

**ECONOMIC DEVELOPMENT FACT SHEET --- GENERAL SUPPORTED COMPANY INFORMATION - PRODUCTS OR SERVICES**

**Provide brief information on the company’s products or services and identify existing and potential**

**major customers and competitors, and current market trends.**

**ECONOMIC DEVELOPMENT WORKING COST ESTIMATE:**

**Identification & Explanation:**

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | Purpose of Funds by Major Activity | |  | CDBG | | Bank | Equity or | Other Public |  |
|  |  |  |  | *Currency (pg 4)* | |  | Other Private |  |  |
|  |  |  |  |  |  |  |  |  |
|  | 1. Purchase of Equipment | |  | *Currency* | |  |  |  |  |
|  | 2. Repair of Equipment | |  | *Currency* | |  |  |  |  |
|  | 3. Other (Identify) | |  | *Currency* | |  |  |  |  |
|  | **4. Subtotal for GATA Budget: Equipment** | |  | *Auto calculate* |  |  |  |  |  |
|  |  | *from lines 1-3* | |  |  |  |  |
|  | **(Budget Category #4)** | |  |  |  |  |  |
|  | 5. Activity Delivery | |  | *Rule: amount* | |  |  |  |  |
|  |  |  |  | *cannot exceed* | |  |  |  |  |
|  |  |  |  | *7% of the Grant* | |  |  |  |  |
|  |  |  |  | *Request with a* | |  |  |  |  |
|  |  |  |  | *maximum of* | |  |  |  |  |
|  |  |  | *$30,000* | |  |  |  |  |  |
|  | 6. Engineering | |  | *Currency* | |  |  |  |  |
|  | 7. Other (Identify) | |  | *Currency* | |  |  |  |  |
|  | **8. Subtotal for GATA Budget: Contractual** | |  | *Auto calculate* |  |  |  |  |  |
|  |  | *from lines 5-7* | |  |  |  |  |
|  | **(Budget Category #6)** | |  |  |  |  |  |
|  | 9. Construction of Facility | |  | *Currency* | |  |  |  |  |
| 10. | | Repair of Facility |  | *Currency* | |  |  |  |  |
|  | 11. Construction of Watermain | |  | *Currency* | |  |  |  |  |
| 12. | | Construction of Sewer Line |  | *Currency* | |  |  |  |  |
| 13. | | Construction of Public Water Facilities |  | *Currency* | |  |  |  |  |
| 14. | | Construction of Public Sewer Facilities |  | Currency | |  |  |  |  |
| 15. | | Construction of other Public Utilities |  | Currency | |  |  |  |  |
| 16. | | Construction of Road |  | Currency | |  |  |  |  |
| 17. | | Repair of Road |  | Currency | |  |  |  |  |
|  | 18. Leasehold Improvements | |  | *Currency* | |  |  |  |  |
| 19. | | Other (Identify) |  | Currency | |  |  |  |  |
| **20.** | | **Subtotal for GATA Budget: Construction** |  | Auto calculate |  |  |  |  |  |
|  | *from lines 9-19* | |  |  |  |  |
|  | **(Budget Category #8)** | |  |  |  |  |  |
| 21. | | Purchase of Facility |  | *Currency* | |  |  |  |  |
| 22. | | Other (Identify) |  | *Currency* | |  |  |  |  |
| **23.** | | **Subtotal for GATA Budget:**  **Acquisition** |  | *Auto calculate* |  |  |  |  |  |
|  | *from line 21-22* | |  |  |  |  |
|  | **(Budget Category #15)** | |  |  |  |  |  |
|  | 24. Working Capital | |  |  | |  |  |  |  |
|  | 25. Purchase of Inventory | |  |  | |  |  |  |  |
|  | 26. Other (Identify) | |  |  | |  |  |  |  |
|  | **27. Subtotal for GATA Budget: Capital** | |  | *Auto calculate* | |  |  |  |  |
|  | **(Budget Category #16)** | |  | *from line 24-26* | |  |  |  |  |
|  | **28. ESTIMATED TOTAL COSTS:** | |  | *Auto calculate from lines 4, 8, 20, 23, 27 Must match Estimated Total Cost in General Project Information* | |  |  |  |  |

**VENDOR COST ESTIMATES**

**PROJECTED JOBS CREATED/JOBS RETAINED INFORMATION**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  | **Jobs** | | **LMI Jobs** | | **% of LMI Benefitting** | |
| # Created |  |  | # LMI Created |  | % Created |  |
| # Retained |  |  | # LMI Retained |  | % Retained |  |

Indicate the method(s) used (or to be used) to determine the benefit to low-to-moderate income persons by checking the appropriate box(es) below:

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| [ | ] | Use of WIA Eligible | This must be documented by the business on the business | | |
|  |  | Individuals | certification form (See Section V, Part L.) If possible, there | | |
|  |  |  | should be evidence that the Illinois Employment and Training Center has been contacted. | | |
|  |  |  |  | | |
| [ | ] | Use of Employee Income | For retention projects, the original completed certification | | |
|  |  |  |  |  |  |
|  |  | Certification Form | forms (contained in this Section) must be included in the | | |
|  |  |  | application to document low-to-moderate income benefit. Copies should be kept in the applicant’s file. At least 51.0 percent of the employees to be retained must have incomes below the applicable income limits. A summary must be provided for each individual completing the Employee Income Certification Form, including the name and appropriate income designation as either “above” or “below” the income threshold. | | |
|  |  |  | For creation projects, the business must agree to hire 51.0 percent low-to-moderate income persons and further agree to obtain and keep on file employee income certification forms (contained in this Section) for each employee to document low-to-moderate income benefit. This must be documented on the business certification form (contained in this Section).   |  |  |  |  |  | | --- | --- | --- | --- | --- | |  |  |  |  |  | | | |

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| 1. **Current jobs at the time of application** | | | Check appropriate box | | |
| Job Classification | Hourly Wage Scales  And/or Annual Salaries  By Classification | Number  of  Positions | Permanent  Full-Time | Part-Time | Temporary |
|  |  |  |  |  |  |
|  |  |  |  |  |  |
|  |  |  |  |  |  |
|  |  |  |  |  |  |
|  |  |  |  |  |  |
|  |  |  |  |  |  |
|  |  |  |  |  |  |
| Total: |  |  |  |  |  |

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| 1. **Jobs created as the result of assistance** | | | Check appropriate box | | |
| Job Classification | Hourly Wage Scales  And/or Annual Salaries  By Classification | Number  of  Positions | Permanent  Full-Time | Part-Time | Temporary |
|  |  |  |  |  |  |
|  |  |  |  |  |  |
|  |  |  |  |  |  |
|  |  |  |  |  |  |
|  |  |  |  |  |  |
|  |  |  |  |  |  |
|  |  |  |  |  |  |
| Total: |  |  |  |  |  |

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| 1. **Jobs retained as the result of assistance** | | | Check appropriate box | | |
| Job Classification | Hourly Wage Scales  And/or Annual Salaries  By Classification | Number  of  Positions | Permanent  Full-Time | Part-Time | Temporary |
|  |  |  |  |  |  |
|  |  |  |  |  |  |
|  |  |  |  |  |  |
|  |  |  |  |  |  |
|  |  |  |  |  |  |
|  |  |  |  |  |  |
|  |  |  |  |  |  |
| Total: |  |  |  |  |  |

**MINORITY BENEFIT/AFFIRMATIVE HOUSING STATEMENT**

*(See Section VII for Form)*

**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)*

**SIGNED CONTRACT FOR PROVISION OF ACTIVITY DELIVERY**

*(See Section II)*

**COMPLETED EXEMPT-CENST-ER-FORMAT FORM**

*(for CDBG-funded Activity Delivery only, See Section II)*

**W-9**

*(See Section III I )*

**SAM REGISTRATION (UEI #)**

*(See Section III I )*

**IRS CERTIFICATION LETTER**

*(See Section III I )*

**NARRATIVE REGARDING LACK OF CAPACITY FOR PROJECT FUNDING**

**PUBLIC INVESTMENT SOURCE DOCUMENTATION**

**BUSINESS CERTIFICATIONS**

**The company understands that no aspect of the project proposed for assistance (expenditures to be paid out of either program or non-CDBG funds) will commence prior to the award of funds to the community and the receipt of environmental clearance.**

The company will invest at least $\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ in this project, from the following source(s): (check the appropriate source and complete the corresponding amount)

debt financing in the amount of $\_\_\_\_\_\_\_\_\_\_\_\_\_\_

unencumbered and immediately available at the time CDBG funds are disbursed cash equity in the amount of $\_\_\_\_\_\_\_\_\_\_\_\_\_\_

The company certifies that it shall ensure that at least 51.0 percent of the persons hired or retained are low-to-moderate income individuals and shall document this through the use of: (1)\_\_\_\_\_ Employee Income Certification forms and/or (2)\_\_\_\_\_\_ Workforce Investment Act (WIA) eligible individuals for the jobs created as a result of this project (please check the appropriate response). If (2) is checked, the company agrees to discuss with representatives of the Illinois Employment and Training Center the hiring of WIA-eligible individuals for the jobs to be created as the result of this project.

The company agrees to submit to the Department, through the grantee (as applicable) on a quarterly basis, information regarding job creation/retention and benefit to low-to-moderate income individuals and documentation that leverage has been injected.

The company certifies that it is a company in good standing, authorized to do business in Illinois and has no delinquent tax liabilities. The company further authorizes the Department of Commerce and Economic Opportunity to seek a tax clearance letter from the Illinois Department of Revenue and authorizes the Department of Revenue to provide such a letter stating whether the records of the Department show that Borrower is in compliance with all tax acts administered by the Department of Revenue and to which Borrower is subject.

The company also certifies that no tax liens, including but not limited to, municipal, county, state, or federal, have been filed against the company, any partners of the company, the majority shareholder of the company, or in the name of a related business owned by the recipient.

The company authorizes the Department of Commerce and Economic Opportunity to verify in any manner deemed appropriate any and all items indicated in this application which includes information obtained through the Illinois Department of Employment Security, Consumer Credit Bureau Services, business reporting services such as Dun and Bradstreet and criminal history record check.

The company certifies that all information and documentation contained in this application, is accurate, complete and true to the best of his/her knowledge.

The company certifies that the project is ready to proceed.

The company certifies that it has read and understands the application guidelines.

**Business Certifications, Continued**

**JOBS CREATED/RETAINED AS THE RESULT OF THE PROJECT**

Check and complete the appropriate certification below:

\_\_\_\_ A. Job Creation: The company certifies that it employs \_\_\_\_\_\_ (number of FTE employees) as of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (date) and that it will create an additional \_\_\_\_\_ (number of FTE) jobs by \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (date) as a result of the assistance provided.

\_\_\_\_ B. Job Retention: The company certifies that it employs \_\_\_\_\_ (number of FTE employees) as of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (date) and the \_\_\_\_\_\_\_\_ (number of FTE) jobs will immediately be retained. Furthermore, the company certifies that the attached documentation establishing clear and objective evidence that without CDBG assistance, the \_\_\_\_\_\_\_\_\_\_\_ (number of jobs) will actually be lost is true and correct [check appropriate box]  grant  loan .

\_\_\_\_ C. Job Creation and Retention: The company certifies that as a result of the assistance provided: (1) it employs \_\_\_\_\_ (number of FTE employees) as of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (date); (2) it will create an additional \_\_\_\_ (number of FTE) jobs by \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (date); and (3) \_\_\_\_\_\_ (number of FTE) jobs will be retained immediately by the company. Without CDBG assistance, the company certifies that \_\_\_\_\_ (the number of jobs retained) will actually be lost.

\_\_\_\_ D. Specify whether any project activities/area are in a flood plain. Yes\_\_\_\_\_ No \_\_\_\_\_

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

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

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

Signature of Chief Executive Officer Date

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

Typed Name of Chief Executive Officer

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

Name of Company FEIN #

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

Company Address  DUNS #

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

SIC #

**CERTIFICATE OF GOOD STANDING**

**CORPORATE FINANCIAL STATEMENTS**

**ARTICLES AND CERTIFICATIONS OF INCORPORATION**

**CORPORATE BYLAWS**

**PRIVATE INVESTMENT COMMITMENT LETTER**

Date

Dear \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_:

This letter is to advise you that \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ has offered to provide financing in the amount of the $\_\_\_\_\_\_\_\_\_\_\_\_\_ for the \_\_\_\_\_\_\_\_\_\_\_\_\_\_ expansion of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ facility, if $\_\_\_\_\_\_\_\_\_\_\_\_\_ is made available from the Community Development Block Grant ("CDBG") Program. The expansion should have a total project cost of $\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ and our loan will be secured by a \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.

We have reviewed the financial statement; projections and other data submitted to us and have found the project to be feasible with the participation of CDBG and \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ equity injection from \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_. Financial assistance is limited to $\_\_\_\_\_\_\_\_\_\_\_\_\_ given to factors relating to 1\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.

Our loan for $\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ would be in the form of a \_\_\_\_\_\_\_\_\_\_\_\_\_ for \_\_\_\_\_\_ years at a rate of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ percent.

This offer is contingent upon the receipt of the CDBG grant to the \_\_\_\_\_\_\_\_\_\_\_\_\_ for this project and a $\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ equity injection by \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.

The foregoing terms and conditions are not all inclusive for the proposed financing. This offer will expire \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ unless extended by the bank in writing.

Should you have any questions, feel free to contact \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.

Sincerely,

City Clerk (County Clerk)

**DESIGNATION OF AUTHORIZED OFFICIAL**

**BOARD RESOLUTION *(Required for non-profits)***

**Resolution No. \_\_\_\_\_\_\_\_\_\_\_**

MEETING OF \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (BOARD, COMMISSION, ETC.)   
OF \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (ORGANIZATION'S NAME)   
  
A meeting of the \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (BOARD, COMMISSION, ETC.) of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (ORGANIZATION'S NAME) was held on \_\_\_\_\_\_\_ (DATE), whereby a resolution was passed authorizing \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (NAME AND TITLE OF THE INDIVIDUAL AUTHORIZED TO SIGN ON BEHALF OF THE ORGANIZATION), by his signature, to submit this application for Community Development Block Grant funds, and to enter into any and all contractual obligations on behalf of this organization.

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_   
Secretary and/or Chairman

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

Date

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