

**Community Development Block Grant-Coronavirus**

**COMPETITIVE HEALTHY HOUSES COMPONENT**

**SECTION I**

**FUNDING OPPORTUNITY INFORMATION**

This Application is for the use of federal Community Development Block Grant-Coronavirus (CDBG-CV) 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-CORONAVIRUS

CATALOG OF STATE FINANCIAL ASSISTANCE (CSFA) NUMBER: 420-75-3433

CSFA TITLE: COMMUNITY DEVELOPMENT BLOCK GRANT-CORONAVIRUS HEALTHY HOUSES PROGRAM

NOTICE OF FUNDING OPPORTUNITY NUMBER: 3433-2880

DCEO FUNDING OPPORTUNITY NUMBER: 30-3

DCEO FUNDING OPPORTUNITY TITLE: CDBG-CV H EALTHY HOUSES

Applications may be submitted based on the published Guidebook and Notice of Funding Opportunity (NOFO). The Guidebook and required supporting documentation for the application can be found at: [Coronavirus Aid, Relief and Economic Security Act (CARES Act) (illinois.gov)](https://dceo.illinois.gov/communitydevelopment/cares-act-program.html)

**FEDERAL AND STATE PROGRAM OBJECTIVES**

On March 27th, 2020, Congress passed the Coronavirus Aid, Relief and Economic Security Act (CARES Act) to directly address the impacts of COVID-19. As part of the CARES Act, Congress appropriated $5 billion to the U.S. Department of Housing and Urban Development (HUD) for allocation to cities and states through the Community Development Block Grant (CDBG) program. The State of Illinois has been allocated $70,753,404 of these CARES Act CDBG funds (CDBG-CV funds). CDBG-CV funds must be utilized to prevent, prepare for, and respond to COVID-19.

HUD regulations provide that five percent (5%) of the allocation can be used for administration and two percent (2%) for technical assistance for the State-administered program. 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.

The program targets housing projects which preserve multi-family, landlord owned, low to moderate income units, up to six units total, and encourage neighborhood revitalization with an emphasis on maintaining health and safety. The funds are being made available for installation and/or replacement of entire Heating, Ventilation and Air Conditioning (HVAC) Systems in multi-family, low to moderate income rentals. All codes and standards which address mechanical, structural, and energy efficiency should, at a minimum, incorporate applicable State plumbing and electrical and any local rehabilitation codes and standards.

The Healthy Houses grant program is a unique, one-time offering to assist municipalities throughout the State of Illinois in maintaining the integrity of the housing stock in their community. Communities can apply for a minimum of $250,000 up to $2 million based on potential need assessments for the area. Grant funds will be utilized to assist eligible landlords/property owners with replacement of partial or total HVAC systems in low-to-moderate (LMI) income qualified rental units. Properties must have six or less units and be located within the corporate limits of the municipality. Landlords are required to complete an application with occupant information to determine eligibility.

**GENERAL APPLICANT INFORMATION**

**A.** **Funding Availability**

Each program component has a maximum funding level or grant ceiling. The Department has allocated a minimum of $21,614,873 in CDBG-CV funds to the Healthy Houses component. A minimum grant award level of $250,000 has been established; applications for less than the minimum grant will not be accepted. The maximum grant award for the Healthy Houses program is $2 million. The Department reserves the right to offer an award less than the application amount. Grants applications must be for amounts commensurate with requirements of the proposed project.

In case of unforeseen circumstances, the Department of Commerce and Economic Opportunity (Department) reserves the right to adjust allocations to address specific needs.

**B.** **APPLICATION MATERIALS**

**All applicants must attend the grant Application Workshop via Webex on Monday, August 26, 2024 at 2:00 p.m.** Information on registration is available on our website at: [Community Development - Community Development (illinois.gov)](https://dceo.illinois.gov/communitydevelopment.html)

**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 as part of the application must be of the exact verbiage contained in the Guidebook, be on the applicant entity’s official letterhead and have original signatures, where required.

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

C. **Technical Assistance**

If you have any questions concerning the application process, please call the Department at (217) 558-4222, TDD 800/785-6055; or e-mail [ceo.ocd@illinois.gov](mailto:ceo.ocd@illinois.gov)

**SECTION II**

**CDBG-CV PROGRAM INFORMATION AND POLICIES**

This section of the application guide contains a description of the general requirements and policies applicable to all CDBG-CV projects.

1. **REQUIREMENTS, DISCLAIMERS, FEDERAL and state compliance areas**

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

1. All projects awarded must tie back to the to the prevention, preparation, and response to coronavirus. Documentation is essential to ensure that all activities comply with the CARES Act. The rationale for connection to addressing coronavirus will vary by jurisdiction and activity, but your application should tell a story about how the activities, if implemented, will address the purpose of this funding.
2. Costs previously incurred (such as design) as well as costs incurred in preparation of applications are not reimbursable under this grant program.
3. 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.
4. **The Department reserves the right to withdraw a commitment for CDBG-CV funds where special grant conditions have not been satisfied 90 days after the date of the Notice of State Award Finalist**, or at the discretion of the Department if it is determined the project will not progress.
5. 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-CV 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.
6. The Department reserves the right to deny funding when submitted applications involve eligible entities with serious unresolved audit or monitoring findings related to performance, and/or owe funds to any State Agency that may be collected through offsets of grant funds by the State Comptroller.
7. On an annual basis, the Department may 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-CV-eligible projects.
8. The Department reserves the right to consider an outside technical review by an appropriate agency or agencies.
9. Any additional non-CDBG-CV resources must be firmly committed and demonstrated by appropriate documentation in the application. If documentation is not evident, clear or firmly in place, the Department will consider the documentation insufficient and the application will be deemed DNF (Do Not Fund) and not reviewed further
10. A grant agreement will be issued for a contract period of twenty-four months for Healthy Houses grants. Extensions are not guaranteed, and no more than one twelve-month extension will be considered.
11. Proposed projects (including the fund source, cost estimates, benefit, 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.
12. 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 be within the original and environmentally-cleared project area. Requests for activities outside the original project area 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.
13. **No environmental review activities can take place until the applicant has received the Notice of State Award Finalist.** Once this Notice is received, the grantee will initiate the required early warning contacts (with the up to four state environmental clearance agencies) in accordance with Federal NEPA requirements and State law.
14. 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.
15. CDBG-CV 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 and 24 CFR 55. In accordance with 24 CFR 55, CDBG grant funds must not be committed in a FEMA-designated floodway.
16. CDBG-CV grant funds may not be used for any activity that would duplicate other benefits received. A duplication of benefits (DOB) occurs when a person, household, business, government, or other entity receives financial assistance from multiple sources for the same purpose within the same time period, and the total assistance received for that purpose is more than the total need for assistance. Within the CDBG-CV program, all grantees are bound by Section 312 of the Stafford Act, as amended by the Disaster Recovery Reform Act, and the OMB Cost Principles within 2 CFR part 200 that require all costs to be “necessary and reasonable for the performance of the Federal award.”

B. **STATE AND FEDERAL COMPLIANCE AREAS**

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) administrative rules.**  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:

1. The National Environmental Policy Act (NEPA) which establishes procedures for protecting the environment. In order to use the CDBG-CV 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.).
2. 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) and Executive Order 11990 also apply.

3. 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/).

5. 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.

6. 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.

7. 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.

8. 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.

C. **APPLICANT COMMITMENT and CITIZEN PARTICIPATION**

**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

1. 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.
* 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:

1. The amount of funds available;
2. The project activities that will be undertaken with CDBG funding, including amount;
3. The project activities that will be undertaken with additional project funding, including amount;
4. The estimated amount proposed for activities that will benefit LMI individuals;
5. Plans for minimizing displacement as a result of the CDBG grant-assisted activities and to assist persons actually displaced, if applicable;
6. A detailed, prioritized list of community development and housing needs; and
7. 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.

Documenting Citizen Participation

The following documents verifying 7-day notice and citizen participation must be submitted with the application.

* Complete Newspaper Clipping of Notice of Public Hearing that contains all published verbiage
* Publisher’s Certification (cannot be an e-mail)
* Certified Minutes
* Attendance Sheet, (original sign-in sheet; not type-written, not roll call from minutes)

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

D. **ACTIVITY DELIVERY COSTS and ASSOCIATED COSTS**

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. 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 Grantees must use an Administrator experienced with oversight, administration and requirements of Community Development Block Grants, including Environmentals and Davis Bacon federal Labor Standards provisions.** A resume may be requested from the proposed Administrator.

**The Administrating 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 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. In addition, if Activity Delivery is procured, a completed Exempt-CENST-ER-Format form must be included with the application.** Please see Section V, Attachments, for the Illinois CDBG Procurement Policy.

The amount of CDBG-CV funds that may be allowed for reasonable activity delivery costs is 7% of the grant request, but no more than $50,000; and must be included in the total grant award. Activity delivery costs above that amount must be contracted separately and not included in the application.

**Activity Delivery:** Includessuch 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.

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-CV 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-CV funds may not be used to reimburse for any portion of the audit costs.

All Activity Delivery costs must be substantiated with complete invoices that include the work that was completed, when and where it was completed, who completed it, associated wages and attributable costs. Invoices without sufficient detail are not eligible for reimbursement.

E. **INITIAL GRANTEE RESPONSIBILITY**

**If awarded a grant, all staff related to fiscal and performance requirements as well as the grant administrators must attend the Grant Administrator’s Workshop to be scheduled at a future date. Failure to attend will result in forfeiture of the grant award.**

Successful applicants will receive a **Notice of State Award Finalist** (NOSAF) specifying terms and conditions of the grant. This will include completion of a Uniform GATA Budget, completion of Environmental Review and completion of any other outstanding requirements.

**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 the outstanding requirements within 104 days of the NOSAF date will result in forfeiture of the grant award. In addition, if an audit related FEIN lock occurs, creating a delay in grant execution, the grant will be forfeited or the Department may withdraw the Award.**

Once terms are accepted, and the conditions met, the Grantee will receive a **Notice of State Award** (NOSA) through the GATA Grantee Portal. The NOSA includesinformation 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.

All Grantees must utilize the Landlord Application for Assistance included in Section V in determining who qualifies for and will be assisted. Additional information may be included in the Application but nothing in the DCEO template can be deleted.

1. **REPORTING**

The Grantee will be required to complete quarterly financial and performance reports, Notice of Contract Award, and other reports or documentation as requested.

**SECTION III**

**COMPETITIVEHEALTHY HOUSES PROGRAM**

The objective of this program component is to preserve multi-family, landlord owned, low to moderate income housing, by funding HVAC upgrades, encouraging neighborhood revitalization with an emphasis on maintaining health and safety.

The Department has allocated a minimum of $21,614,873 in CDBG-CV funds to the Healthy Houses component.

1. **Eligible Applicants**

All applicants must:

* Be a unit of local government, i.e. City, Village or County in the State of Illinois. NOTE: This includes local governments that are or are part of a CDBG Entitlement Area.
* Remain compliant 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.).

All applicants must be registered at: <https://grants.illinois.gov/portal/> prior to application submission. Applications submitted by entities who have not registered **will not be considered for review**. In addition, the Internal Control Questionnaire (ICQ) for the current year must be completed prior to grant execution.

1. **Eligible Activities**

Under the CDBG-CV Healthy Houses component grants may be used to finance the installation and/or replacement of single-family and multi-family (not to exceed 6 units) residential HVAC Units, to increase the energy efficiency of the structures. All grant funds must relate to one of the following HUD-defined activity codes:

**14 A Rehab: Single-Unit Residential** to be used for the rehabilitation of owner-occupied, single-family homes.

**14 B Rehab: Multi-Unit Residential** Rehabilitation of privately owned buildings with two or more permanent residential units.

**CDBG-eligible costs for 14A and 14B include:**

* Labor and materials,
* Installation and/or replacement of Heating, Ventilation and Air Conditioning (HVAC) units

**14 H Activity Delivery**to be used for administrative services necessary to the delivery/ completion of the CDBG-CV project.

C. **ELIGIBILITY THRESHOLDS**

Projects will be reviewed to determine if they meet the following minimum thresholds. If they do not meet the following thresholds, they will be an automatic **DO NOT FUND.**

1. **Benefit to Low-and-Moderate Income Persons:**

Each grantee must demonstrate that 51% of the units served are occupied by persons who qualify as low-to-moderate income.

1. **Adequate programmatic policies and procedures:**

The local government has established rehabilitation standards which at a minimum include; applicable local building codes, Illinois State Plumbing Code, National Electrical Code, Illinois Lead Poisoning Prevention Act & Code, Illinois Energy Code or compatible property maintenance codes in the absence of local building codes.

D. **HEALTHY HOUSES PROJECT REQUIREMENTS**

In addition to the requirements listed in Section II, the following are requirements which specifically apply to applications submitted for consideration under the HEALTHY HOUSES component.

1. Healthy Houses is a direct benefit activity. Fifty-one percent of the units assisted with CDBG—CV funds must be occupied by low-to-moderate income persons.

E. **APPLICATION NARRATIVE RESPONSES/INCLUSIONS**

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

1. **Letter of Transmittal** – Must include the amount requested, a brief project description, the LMI benefit, and the additional funding amount and source.

2. **Scope of Work** Applicants must provide an estimation of the number of structures, and total number of units that will be assisted. Describe how this number was determined and why. Structures with more than six units are not eligible.

3. **Project Plan -** Describe the plans for administration of the proposed project. Emphasis should be on demonstrating an understanding of the procedural and management requirements for a Community Development Block Grant funded program. A response to each of the following is required as well as any other relevant information.

1. Has the applicant received Community Development Block Grant (CDBG) funding directly from the U.S. Department of Housing and Urban Development or received a CDBG grant from the Illinois Department of Commerce and Economic Opportunity since January 1, 2020?
2. Has the applicant administered a housing rehabilitation program funded by CDBG or other funding sources? If so, describe the program, its successes, and what could have been improved.
3. Describe how the Healthy Houses Program will be promoted to eligible participants and solicitation of applicants, i.e., type of informational correspondence regarding the program to potential participants, any additional program outreach such as public hearings, community meetings or announcements in local media regarding the program.
4. Identify any codes, ordinances, or permits that may impact this project.
5. Who will be responsible for general Activity Delivery of the program, oversight of construction management, financial management and other elements of the program’s administration? Identify key individuals and their roles and responsibilities.
   * Where the applicant proposes to enter into a third-party contract for Activity Delivery and Administration services with an entity that is not a **Regional Planning Commission, Council of Officials, or Community Action Agency**, said applicant must select an administrative entity prior to application submission in conformance with HUD regulations found at 2 CFR 200 Procurement. The formal procurement process shall include but not be limited to a Request for Qualification (RFQ) from eligible respondents.

Sample documents to be used in the formal procurement process are provided in Section IX, Attachments. This process must be completed prior to application submission. Evidence of the process to procure services through a third party, including advertising through public notice, selection and scoring criteria shall be provided in the application for funding, including the qualifications as submitted by the selected entity.

1. **Fair Housing Resolution** – All applicants are required to pass a Fair Housing Resolution to affirmatively further fair housing; post Fair Housing Posters; and make HUD Fair Housing Complaint forms available to the public. A copy of the Fair Housing Resolution must be submitted with the application.

F. **Application Review and Evaluation Process**

The screening and review process for the program is designed to ensure that limited CDBG-CV funds are awarded to entities 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. **Applications must be received by 5:00 p.m. on Wednesday, November 6, 2024.** Applications will be funded from the highest score to the lowest score while ensuring funding touches a broad geography of the State. 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. However, all decisions will be based on the general distribution of funds in Section I of this CDBG-CV Guidebook.

G. **RANKING CRITERIA FOR HEALTHY HOUSES**

Applications will be evaluated according to the criteria noted below which indicate need for the project. Total points possible is 100.

1. **Project Plan - 10 points**

Address each of the sub-bullet points (a-e) in Section 3, Part E, #3, Project Plan. A thorough, descriptive explanation will garner 2 points for each sub-bullet.

1. **Project location in a DCEO Underserved Area - 10 points**

An “underserved area” is a census tract which meets one of the following four tests:

* + Poverty rate of at least 20%; or
  + 35% or more of the families with children in the area are living below 130% of the poverty line according to the latest American Community Survey; or
  + At least 20% of the households in the area receive assistance under the Supplemental Nutrition Assistance Program (SNAP); or
  + Average unemployment rate that is more than 120% of the national unemployment average, for a period of at least two (2) consecutive calendar years preceding the date of the application.
  + For more ‘information and to identify an underserved area, please see: <https://dceo.illinois.gov/expandrelocate/incentives/underservedareas.html>

1. **Project location in an Opportunity Zone - 10 points**

Illinois has 327 designated opportunity zones, all of which are low-income communities. To further encourage the investment in and vitality of these communities , ten (10) points will be given to applicant communities within opportunity zones. For more information on Opportunity Zones, please see: <https://dceo.illinois.gov/oppzn.html>

1. **Low to Moderate Income Percentage of the Community – 20 points**

Up to 20 points may be received based on the low-to-moderate income (LMI) of an entire community. Use link below to determine LMI.

<https://www.hudexchange.info/programs/acs-low-mod-summary-data/acs-low-mod-summary-data-block-groups-places/>

Total Number of LMI households Points

80% and higher = 20 points

75-79.9% = 19 points

70-74.9% = 18 points

65-69.9% = 17 points

60-64.9% = 16 points

55-59.9% = 15 points

50-54.9% = 14 points

45-49.9% = 12 points

40-44.9% = 10 points

35-39.9% = 8 points

30-34.9% = 6 points

25-29.9% = 4 points

20-24.9% = 2 points

01-19.9% = 0 point

**5. Percentage of Rental Units – 25 points**

Up to 25 points are available based on the percentage of rental units in a community in comparison to the total number of housing units. This information is based on the most current Census data.

Percentage of Rental Units Points

45% and higher = 25 points

44-44.9% = 24 points

43-43.9% = 23 points

42-42.9% = 22 points

41-41.9% = 21 points

40-40.9% = 20 points

39-39.9% = 19 points

38-38.9% = 18 points

37-37.9% = 17 points

36-36.9% = 16 points

35-35.9% = 15 points

34-34.9% = 14 points

33-33.9% = 13 points

32-32.9% = 12 point

31-31.9% = 11 points

30-30.9% = 10 points

29-29.9% = 9 points

28-28.9% = 8 points

27-27.9% = 7 points

26-26.9% = 6 points

25-25.9% = 5 points

24-24.9% = 4 points

23-23.9% = 3 points

22-22.9% = 2 points

21-21.9% = 1 points

20.9% and Less = 0 points

1. **Percentage of Renters Receiving LIHEAP Assistance – 25 points**

Up to 25 points will be based on the number of families receiving LIHEAP assistance that are renters, in comparison to the total number of families receiving LIHEAP assistance in the community.

Percentage of Renters Points

80% and higher = 25 points

75-79.9% = 24 points

70-74.9% = 23 points

65-69.9% = 22 points

60-64.9% = 21 points

55-59.9% = 20 points

50-54.9% = 19 points

45-49.9% = 18 points

40-44.9% = 17 points

35-39.9% = 16 points

30-34.9% = 15 point

25-29.9% = 10 points

20-24.9% = 8 points

15-19.9% = 6 points

10-14.9% = 4 points

05-09.9% = 2 points

Less than 5% = 0 points

H. **Submission Information**

Under the Grant Accountability & Transparency Act (GATA), all applicants must register with the State of Illinois via the “Grantee Portal” at [www.grants.illinois.gov](http://www.grants.illinois.gov) and be pre-qualified prior to submitting an application. Applications submitted by entities who have not registered or completed the ICQ for the current year **will not be considered for review**.

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

1. **State of Illinois Uniform Grant Application** can be found as part of the Notice of Funding Opportunity (NOFO) at: [Apply for Funding - Grant Opportunities (illinois.gov)](https://dceo.illinois.gov/aboutdceo/grantopportunities/grants.html)
2. **State of Illinois GATA Budget** can be found as part of the Notice of Funding Opportunity (NOFO) at: [Apply for Funding - Grant Opportunities (illinois.gov)](https://dceo.illinois.gov/aboutdceo/grantopportunities/grants.html)
3. **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.
4. **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>).
5. **SAM Registration/CAGE#:** All grantees, sub-recipients and contractors participating in the CDBG Program are required to be registered in the System for Award Management (SAM) at [www.sam.gov](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.  **CAGE** codes provide a standardized method of identifying a given facility at a specific location. **This documentation, for the grantee, must be submitted with the application.**

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

**In Person (must call ahead to confirm availability)**

Illinois Department of Commerce and Economic Opportunity

Office of Community Development

1020 South Spring

Springfield, IL 62704

**Mailed to:**

Illinois Department of Commerce and Economic Opportunity

Office of Community Development

1011 South Second Street

Springfield, IL 62704

**Applications** must be **received by** **Wednesday, November 6, 2024 no later than** **5:00 p.m.** Facsimile and e-mailed submissions will **not** be accepted.

**PACKAGING YOUR APPLICATION**

All grant application materials **must** be:

* Typed (except for signatures and maps)
* **All elements of the application must be in the order listed on the checklist, and all pages must be numbered.**
* 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”)
* 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
* Healthy Houses Application
* Original or Copy

For Example:

City of Hillsboro

Healthy Houses

Original

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

**SECTION IV**

**COMPETITIVE HOUSING REHABILITATION COMPONENT**

**I. APPLICATION FORMS**

***Note: Applicants are required to use the forms contained in this application guidebook. Incomplete forms will not be accepted. Please see Section I, Part D for specifics.***

**CDBG-CV HEALTHY HOUSES**

**Submission Checklist AND TABLE OF CONTENTS**

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

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

APPLICATION FORMS PAGE NUMBER

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

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

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

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

\_\_\_\_ Scope of Work \_\_\_\_\_\_

\_\_\_\_ Project Plan \_\_\_\_\_\_

\_\_\_\_ State of Illinois Uniform Budget Template (See NOFO Posting) \_\_\_\_\_\_

\_\_\_\_ Healthy Houses Working Cost Estimate \_\_\_\_\_\_

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

DOCUMENTATION, CERTIFICATIONS, RESOLUTIONS

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

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

\_\_\_\_ Publisher’s certification (No emails) \_\_\_\_\_\_

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

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

\_\_\_\_ Council Resolution of Support \_\_\_\_\_\_

\_\_\_\_ Local Government Certifications \_\_\_\_\_\_

\_\_\_\_ Mandatory Disclosures \_\_\_\_\_\_

\_\_\_\_ Conflict of Interest Disclosure \_\_\_\_\_\_

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

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

ATTACHMENTS

\_\_\_\_ Fair Housing Ordinance/Resolution \_\_\_\_\_\_

\_\_\_\_ W-9 \_\_\_\_\_\_

\_\_\_\_ SAM Registration (UEI #) \_\_\_\_\_\_

\_\_\_\_ IRS Certification Letter \_\_\_\_\_\_

\_\_\_\_ GATA Registration Printout \_\_\_\_\_\_

*Template*

**LETTER OF TRANSMITTAL**

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

Date

Illinois Department of Commerce

and Economic Opportunity

607 East Adams

Springfield, Illinois 62701

Dear Director:

The (unit of local government) is submitting an application for healthy houses under the Community Development Block Grant-CV (CDBG-CV) Program Healthy Houses Component. The grant request is in the amount of $\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ to be used to (use of funds). The benefit to low-to-moderate income individuals is 100%. The (name of local government) will contribute $\_\_\_\_\_\_\_\_\_ from (source of funds) toward the completion of the project.

Very truly yours,

(Signature of Chief Elected Official)

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

The Uniform Grant Application can be found as part of the Notice of Funding Opportunity (NOFO) at: [Apply for Funding - Grant Opportunities (illinois.gov)](https://dceo.illinois.gov/aboutdceo/grantopportunities/grants.html)

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**

**HEALTHY HOUSES COMPONENT**

**I. PROJECT BENEFIT INFORMATION**

Estimated Number of Rental Units to benefit from HVAC update:\_\_\_\_\_\_\_\_\_\_

List all Zip Codes eligible for this project (include 4 digit suffix if available):

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

**II. APPLICANT INFORMATION**

|  |  |
| --- | --- |
| Applicant Phone |  |
| Applicant E-Mail |  |
| Fiscal Year End Date |  |
| Applicant UEI # |  |

**III. GRANT ADMINSTRATOR FOR THIS PROJECT**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| First Name |  | | | |
| Last Name |  | | | |
| Title |  | | | |
| Agency Name |  | | | |
| Agency Type |  | | | |
| Mailing Address |  | | | |
| Telephone |  | | Email |  |
| Federal Employer Identification Number of Application Writer | |  | | |
| RACF ID Number (if applicable) | |  | | |

**SCOPE OF WORK**

See Section III E

*Insert Here*

**PROJECT PLAN**

See Section III E

*Insert Here*

**STATE OF ILLINOIS UNIFORM BUDGET**

The GATA Budget can be found as part of the Notice of Funding Opportunity (NOFO) at: [Apply for Funding - Grant Opportunities (illinois.gov)](https://dceo.illinois.gov/aboutdceo/grantopportunities/grants.html)

See Section III

*Insert Here*

**HEALTHY HOUSES**

**WORKING COST ESTIMATE**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Activity Budget** | **Total Amount Per Activity** | **CDBG**  **$ Request** | **Other**  **Funds** | **Identify Other Sources** |
| **14 A Rehabilitation-Single-Unit Residential** |  |  |  |  |
| **14 B Rehabilitation-Multi Unit Residential** |  |  |  |  |
| **14 H Activity Delivery** |  |  |  |  |
| **TOTAL COSTS:** |  |  |  |  |

**MINORITY BENEFIT/AFFIRMATIVE HOUSING STATEMENT**

|  |  |  |
| --- | --- | --- |
| a. What is the percentage of the minority group(s) population residing in the Census Block geography (i.e.community wide or census tract block group(s). |  | % |
| Identify the characteristics of the population of the project area by specific ethnic group. This information may be obtained from the most recent Census Data for the “applicant community.” If submitting an “on behalf of” application for a project in an unincorporated area, use Census Data for the project’s County. | | |

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

|  |  |  |
| --- | --- | --- |
| With the exception of "Female Heads of Households", the above numbers should | |  |
| equal the total number of persons to benefit from the project service area. | |  |
|  | |  |
| b. What is the goal for the percentage of CDBG-CV funded contracts to be awarded to  minority contractors? | | % |
|  | |  |
| c. If the percentage goal in *b* *is* substantially less than the percentage of minorities residing in the community, | | |
| please explain. |  | |
|  | | |
|  | |  |
| NOTE: This form is utilized to establish the Minority Business Enterprise (MBE) goal for contracting. | |  |

**Signature of Chief Official:** \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**Date \_\_\_\_\_\_\_\_\_\_\_\_\_\_**

***Sample***

**PUBLIC HEARING NOTICE**

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

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

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

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

**NEWSPAPER CLIPPING**

See Section II C

*Insert Here*

**PUBLISHER’S CERTIFICATION**

See Section II C

*Insert Here*

**CERTIFIED MINUTES**

See Section II C

*Insert Here*

**ATTENDANCE SHEET(S)**

See Section II C

*Insert Here*

***Sample***

**COUNCIL RESOLUTION OF SUPPORT**

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

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

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

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

NOW, THEREFORE, BE IT RESOLVED as follows:

1) that the (unit of local government) apply for a grant under the terms and conditions of the State of Illinois and shall enter into and agree to the understandings and assurances contained in said application.

2) that the Mayor (County Board Chairman) and City Clerk (County Clerk) on behalf of the City (County) execute such documents and all other documents necessary for the carrying out of said application.

3) that the Mayor (County Board Chairman) and City Clerk (County Clerk) are authorized to provide such additional information as may be required to accomplish the obtaining of such grant.

Passed this \_\_\_\_\_\_\_ day of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, \_\_\_\_\_\_\_\_\_. (date required)

ATTEST: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

City Clerk (County Clerk) Mayor (County Board Chairman)

**CERTIFICATIONS**

On this (date) of (month), (year), the (title and name of the Chief Official) of (Applicant’s name t) hereby certifies to the Department of Commerce and Economic Opportunity in regard to an application and award of funds through the Community Development Block Grant – Coronavirus that:

1. It will comply with the National Environmental Policy Act (NEPA) with the submission of this application and it further certifies that no aspect of the project for assistance has or shall commence prior to the award of funds to the community and the receipt of an environmental clearance.

2. It will comply with the Interagency Wetland Policy Act of 1989 including the development of a plan to minimize adverse impacts on wetlands, or providing written evidence that the proposed project will not have an adverse impact on a wetland.

3. It will comply with the Illinois Endangered Species Protection Act and the Illinois Natural Area Preservation Act by completing the consultation process with the Endangered Species Consultation Program of the Illinois Department of Natural Resources, or providing written evidence that the proposed project is exempt.

4. It will identify and document all appropriate permits necessary to the proposed project, including, but not limited to: building, construction, zoning, subdivision, IEPA and IDOT.

5. No legal actions are underway or being contemplated that would significantly impact the capacity of the (Applicant’s name ) to effectively administer the program, and to fulfill the requirements of the CDBG-CV program.

6. It will coordinate with the County Soil and Water Conservation District regarding standards for surface and sub-surface (tile) drainage restoration and erosion control in the fulfillment of any project utilizing CDBG-CV funds and involving construction.

7. It is understood that the obligation of the State will cease immediately without penalty of further payment being required if in any fiscal year the Illinois General Assembly or federal funding source fails to appropriate or otherwise make available sufficient funds for this agreement.

8. It acknowledges the applicability of Davis-Bacon prevailing wage rate requirements to construction projects; a wage rate determination must be obtained prior to commencement of any construction or equipment installation; and, it shall discuss these requirements with the contractor.

9. It will comply with Section 3 of the Housing and Rural Development Act of 1968 to ensure that employment and other economic opportunities generated by certain HUD financial assistance shall, to the greatest extent feasible, and consistent with existing federal, state, and local laws and regulations, be directed to low and very low income persons and businesses.

10. It certifies that no occupied or vacant occupiable low-to-moderate income dwellings will be demolished or converted to a use other than low-to-moderate income housing as a direct result of activities assisted with funds provided under the Housing and Community Development Act of 1974, as amended.

11. It will conduct a Section 504 self-evaluation of its policies and practices to determine whether its employment opportunities and services are accessible to persons with disabilities.

12. It will comply with 2 CFR 200, 24 CFR 570, Part 85, and the Illinois’ Grant Accountability and Transparency Act (GATA).

13. The area, in whole or in part, in which project activities will take place, **IS** or **IS NOT** (*circle one)* located in a floodplain.

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

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

Signature of Chief Official Date

**MANDATORY DISCLOSURES**

Award applicants and recipients of awards from the State of Illinois (collectively referred to herein as “Grantee”) must disclose, in a timely manner and in writing to the State awarding agency, all violations of State or federal criminal law involving fraud, bribery, or gratuity violations potentially affecting the award. See 30 ILCS 708/40; 44 Ill. Admin Code § 7000.40(b)(4); 2 CFR § 200.113. Failure to make the required disclosures may result in remedial action.

Please describe all violations of State or federal criminal law involving fraud, bribery, or gratuity violations potentially affecting the awarding of a grant to your organization:

Grantee has a continuing duty to disclose to the Department of Commerce and Economic Opportunity (the “Department”) all violations of criminal law involving fraud, bribery or gratuity violations potentially affecting this grant award.

By signing this document, below, as the duly authorized representative of the Grantee, I hereby certify that:

* All of the statements in this Mandatory Disclosure form are true, complete and accurate to the best of my knowledge. I am aware that any false, fictitious, or fraudulent statements or claims may subject me to criminal, civil or administrative penalties. (U.S. Code, Title 18, Section 1001).
* There is no action, suit or proceeding at law or in equity pending, nor to the best of Grantee’s knowledge, threatened, against or affecting the Grantee, before any court or before any governmental or administrative agency, which will have a material adverse effect on the performance required by the grant award.
* Grantee is not currently operating under or subject to any cease and desist order, or subject to any informal or formal regulatory action, and, to the best of the Grantee’s knowledge, it is not currently the subject of any investigation by any state or federal regulatory, law enforcement or legal authority.
* If Grantee becomes the subject of an action, suit or proceeding at law or in equity that would have a material adverse effect on the performance required by an award, or an investigation by any state or federal regulatory, law enforcement or legal authority, Grantee shall promptly notify the Department in writing.

Grantee Organization: Company Name

By:

Signature of Authorized Representative

Printed Name: Authorized Signator Name

|  |  |
| --- | --- |
| Printed Title: Authorized Signator Title | Date: |

**CONFLICT OF INTEREST DISCLOSURE**

Award applicants and recipients of awards from the State of Illinois (collectively referred to herein as “Grantee”) must disclose in writing to the awarding State agency any actual or potential conflict of interest that could affect the State award for which the Grantee has applied or has received. See 30 ILCS 708/35; 44 Ill. Admin Code § 7000.40(b)(3); 2 CFR § 200.112. A conflict of interest exists if an organization’s officers, directors, agents, employees and/or their spouses or immediate family members use their position(s) for a purpose that is, or gives the appearance of, being motivated by a desire for a personal gain, financial or nonfinancial, whether direct or indirect, for themselves or others, particularly those with whom they have a family business or other close associations. In addition, the following conflict of interest standards apply to governmental and non-governmental entities.

1. **Governmental Entity.** If the Grantee is a governmental entity, no officer or employee of the Grantee, member of its governing body or any other public official of the locality in which the award objectives will be carried out shall participate in any decision relating to a State award which affects his/her personal interest or the interest of any corporation, partnership or association in which he/she is directly or indirectly interested, or which affects the personal interest of a spouse or immediate family member, or has any financial interest, direct or indirect, in the work to be performed under the State award.
2. **Non-governmental Entity.** If the Grantee is a non-governmental entity, no officer or employee of the Grantee shall participate in any decision relating to a State award which affects his/her personal interest or the interest of any corporation, partnership or association in which he/she is directly or indirectly interested, or which affects the personal interest of a spouse or immediate family member, or has any financial interest, direct or indirect, in the work to be performed under the State award.

The Grantee shall also establish safeguards, evidenced by policies, rules and/or bylaws, to prohibit employees or officers of Grantee from engaging in actions, which create or which appear to create a conflict of interest as described herein.

**The Grantee has a continuing duty to immediately notify the Department of Commerce and Economic Opportunity (the “Department”) in writing of any actual or potential conflict of interest, as well as any actions that create or which appear to create a conflict of interest.**

***Please describe all current potential conflict(s) of interest, as well as, any actions that create or which appear to create a conflict of interest related to the State award for which your organization has applied.***

If the Grantee provided information above regarding a current potential conflict of interest or any actions that create or appear to create a conflict of interest, the Grantee must immediately provide documentation to the applicable Department grant manager to support that the potential conflict of interest was appropriately handled by the Grantee’s organization. If at any later time, the Grantee becomes aware of any actual or potential conflict of interest, the Grantee must notify the Department’s grant manager immediately, and provide the same type of supporting documentation that describes how the conflict situation was or is being resolved.

Supporting documentation should include, but is not limited to, the following: the organization’s bylaws; a list of board members; board meeting minutes; procedures to safeguard against the appearance of personal gain by the organization’s officers, directors, agents, and family members; procedures detailing the proper internal controls in place; timesheets documenting time spent on the award; and bid documents supporting the selection of the contractor involved in the conflict, if applicable.

By signing this document, below, as the duly authorized representative of Grantee, I hereby certify that:

* All of the statements in this Conflict of Interest Disclosure form are true, complete and accurate to the best of my knowledge. I am aware that any false, fictitious, or fraudulent statements or claims may subject me to criminal, civil or administrative penalties. (U.S. Code, Title 18, Section 1001).
* If I become aware of any situation that conflicts with any of the representations herein, or that might indicate a potential conflict of interest or create the appearance of a conflict of interest, I or another representative from my organization will immediately notify the Department’s grant manager for this award.
* I have read and I understand the requirements for the Conflict of Interest Disclosure set forth herein, and I acknowledge that my organization is bound by these requirements.

Grantee Organization: Community Name

By:

Signature of Authorized Representative

Printed Name: Authorized Signator Name

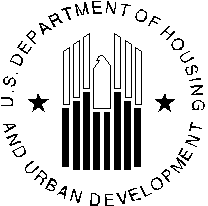
|  |  |
| --- | --- |
| Printed Title: Authorized Signator Title | Date: |

**SIGNED CONTRACT FOR PROVISION OF ACTIVITY DELIVERY**

See Section II D

*Insert Here*

**U.S. Department of Housing and Urban Development**



451 Seventh Street, SW

Washington, DC 20410

www.hud.govespanol.hud.gov

**Environmental Review**

**for Activity/Project that is Exempt or**

**Categorically Excluded Not Subject to Section 58.5**

**Pursuant to 24 CFR Part 58.34(a) and 58.35(b)**

**Project Information**

**Project Name: Activity Delivery for a CDBG-CV Healthy Houses Project in Insert Applicant Community’s Name.**

**Responsible Entity: Insert Applicant Community’s Name**

**Grant Recipient** (if different than Responsible Entity): Not applicable

**State/Local Identifier**: **Illinois CDBG-CV Healthy Houses Grant # TBD, if funded**

**Preparer:**

**Certifying Officer Name and Title: Insert Name & Title of Applicant Community’s Chief Elected Official**

**Consultant** (if applicable):

**Project Location: Street Address for community’s governmental building only.**

**Description of the Proposed Project** [24 CFR 58.32; 40 CFR 1508.25]**: Activity Delivery necessary to eventually undertake a Healthy Houses project in the community’s full legal name, project county’s name, Illinois.**

**Level of Environmental Review Determination:**

Activity/Project is Exempt per 24 CFR 58.34(a): ­­­­­­­­­­­­­­­­­­­­­­(1)(3)

Activity/Project is Categorically Excluded Not Subject To §58.5 per 24 CFR 58.35(b): \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**Funding Information**

|  |  |  |  |
| --- | --- | --- | --- |
| **Grant Number** | **HUD Program** | **Exempt Amount** | **Categorically Excluded Amount** |
| TBD, if funded | CDBG-CV Shelter Construction | $\_\_\_\_\_\_\_\_\_\_\_\_\_ | Not Applicable |

**Estimated Total HUD Funded Amount: $\_\_\_\_\_\_\_\_\_\_\_\_\_ (same as Exempt Amount above, and only for budgeted Activity Delivery costs)**

**This project anticipates the use of funds or assistance from another Federal agency in addition to HUD in the form of** (if applicable)**: None.**

**Estimated Total Project Cost** (HUD and non-HUD funds) [24 CFR 58.32(d)]**: $\_\_\_\_\_\_\_\_\_\_\_\_ (same as above)**

# Compliance with 24 CFR §50.4 and §58.6 Laws and Authorities

Record below the compliance or conformance determinations for each statute, executive order, or regulation. Provide credible, traceable, and supportive source documentation for each authority. Where applicable, complete the necessary reviews or consultations and obtain or note applicable permits of approvals. Clearly note citations, dates/names/titles of contacts, and page references. Attach additional documentation as appropriate.

|  |  |  |
| --- | --- | --- |
| **Compliance Factors**: Statutes, Executive Orders, and Regulations listed at 24 CFR 50.4 and 58.6 | Are formal compliance steps or mitigation required? | Compliance determinations |
| **STATUTES, EXECUTIVE ORDERS, AND REGULATIONS LISTED AT 24 CFR §58.6** | | |
| **Airport Hazards**  24 CFR Part 51 Subpart D | Yes No | No sale or acquisition of property will occur. |
| **Coastal Barrier Resources**  Coastal Barrier Resources Act, as amended by the Coastal Barrier Improvement Act of 1990 [16 USC 3501] | Yes No | *Illinois is not a covered state under these Acts.* |
| **Flood Insurance**  Flood Disaster Protection Act of 1973 and National Flood Insurance Reform Act of 1994 [42 USC 4001-4128 and 42 USC 5154a] | Yes No | *Grant funds will not be used for construction, rehabilitation, or acquisition of a mobile home, building or insurable personal property.* |

**Mitigation Measures and Conditions [40 CFR 1505.2(c)]**

Summarize below all mitigation measures adopted by the Responsible Entity to reduce, avoid, or eliminate adverse environmental impacts and to avoid non-compliance or non-conformance with the above-listed authorities and factors. These measures/conditions must be incorporated into project contracts, development agreements, and other relevant documents. The staff responsible for implementing and monitoring mitigation measures should be clearly identified in the mitigation plan.

|  |  |
| --- | --- |
| Law, Authority, or Factor | Mitigation Measure |
|  |  |
|  |  |
|  |  |
|  |  |

**Preparer** Signature: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_Date:\_\_\_\_\_\_\_\_

Name/Title/Organization: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Responsible Entity Agency (i.e., Chief Elected) Official Signature:

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_Date:\_\_\_\_\_\_\_\_

**Chief Elected Official** Name/Title: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

This original, signed document and related supporting material must be retained on file by the Responsible Entity in an Environmental Review Record (ERR) for the activity/project (ref: 24 CFR Part 58.38) and in accordance with recordkeeping requirements for the HUD program(s).



**FAIR HOUSING ORDINANCE/RESOLUTION**

See Section III E

*Insert Here*

**W-9**

**SAM REGISTRATION (UEI #)**

See Section III I

*Insert Here*

**IRS CERTIFICATION LETTER**

See Section III I

*Insert Here*

**GATA REGISTRATION PRINTOUT**

See Section III I

*Insert Here*

**SECTION V**

**ADDITIONAL INFORMATION**

**CDBG-CV HEALTHY HOUSES**

**LANDLORD APPLICATION FOR ASSISTANCE**

Name of Property Owner\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_SSN/EIN\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Home Address\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

City:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, IL Zip:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Phone Number (\_\_\_\_\_)\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_Email Address\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Copies of the following documents from the property owner must be included with the application:

* State photo ID
* Proof of ownership of rental unit/Deed to property
* Most recent monthly mortgage statement
* Most recent tax bill
* Proof of Insurance on Property

Address of rental property:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

City:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, IL Zip:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Number of rental units:\_\_\_\_ Total Number of Occupants:\_\_\_\_ Number of Occupants Under 18:\_\_\_\_

Age of HVAC System:\_\_\_\_\_ HVAC Need: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

|  |  |
| --- | --- |
| **Renter #1 Name:** | |
| Address: | |
| Phone #: | Email: |
| Is this Renter in good standing and current in payments? \_\_\_\_\_Yes \_\_\_\_\_No | |
| The following documents have been provided:   * CDBG Income Survey * Documentation of all Income (W-2, Paystub, SSI Statement, Unemployment Benefits, etc.) * Employment Information (latest paystub) * Monthly Housing Expenses Total: $\_\_\_\_\_\_\_\_\_\_ (Rent, Utilities, Insurance) | |
| **Renter #2 Name:** | |
| Address: | |
| Phone #: | Email: |
| Is this Renter in good standing and current in payments? \_\_\_\_\_Yes \_\_\_\_\_No | |
| The following documents have been provided:   * CDBG Income Survey * Documentation of all Income (W-2, Paystub, SSI Statement, Unemployment Benefits, etc.) * Employment Information (latest paystub) * Monthly Housing Expenses Total: $\_\_\_\_\_\_\_\_\_\_ (Rent, Utilities, Insurance) | |
| **Renter #3 Name:** | |
| Address: | |
| Phone #: | Email: |
| Is this Renter in good standing and current in payments? \_\_\_\_\_Yes \_\_\_\_\_No | |
| The following documents have been provided:   * CDBG Income Survey * Documentation of all Income (W-2, Paystub, SSI Statement, Unemployment Benefits, etc.) * Employment Information (latest paystub) * Monthly Housing Expenses Total: $\_\_\_\_\_\_\_\_\_\_ (Rent, Utilities, Insurance) | |
| **Renter #4 Name:** | |
| Address: | |
| Phone #: | Email: |
| Is this Renter in good standing and current in payments? \_\_\_\_\_Yes \_\_\_\_\_No | |
| The following documents have been provided:   * CDBG Income Survey * Documentation of all Income (W-2, Paystub, SSI Statement, Unemployment Benefits, etc.) * Employment Information (latest paystub) * Monthly Housing Expenses Total: $\_\_\_\_\_\_\_\_\_\_ (Rent, Utilities, Insurance) | |
| **Renter #5 Name:** | |
| Address: | |
| Phone #: | Email: |
| Is this Renter in good standing and current in payments? \_\_\_\_\_Yes \_\_\_\_\_No | |
| The following documents have been provided:   * CDBG Income Survey * Documentation of all Income (W-2, Paystub, SSI Statement, Unemployment Benefits, etc.) * Employment Information (latest paystub) * Monthly Housing Expenses Total: $\_\_\_\_\_\_\_\_\_\_ (Rent, Utilities, Insurance) | |
| **Renter #6 Name:** | |
| Address: | |
| Phone #: | Email: |
| Is this Renter in good standing and current in payments? \_\_\_\_\_Yes \_\_\_\_\_No | |
| The following documents have been provided:   * CDBG Income Survey * Documentation of all Income (W-2, Paystub, SSI Statement, Unemployment Benefits, etc.) * Employment Information (latest paystub) * Monthly Housing Expenses Total: $\_\_\_\_\_\_\_\_\_\_ (Rent, Utilities, Insurance) | |

**COMMUNITY DEVELOPMENT BLOCK GRANT INCOME SURVEY**

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| Community: | |  | | | | County: | | | |  | | | |
| Street Address: | |  | | | | Date Conducted: | | | |  | | | |
|  | | | | | | | | | | | | | |
| 1. How many people are living in the unit? | | | |  | | |
| 2. Check here if female headed household ( ) | | | | | | | |
| 3 How many people are over 62 years old? | | | |  | | |
| 4. How many persons with physical or developmental disabilities are there in your household: | | | | | | | | | | |  |
| 5. Do you own your own home? | |  | Or rent? | | |  |
| 6. To help determine the ethnic population of your locality or project area, please indicate the number of persons in the household in each appropriate category: | | | | | | | | | | | | |
| **MINORITY BENEFIT DETERMINATION** | | | | | | | | | | | | |
| **Racial Group** | | | | | | | | **Total Persons** | | **# of Hispanic / Latino Ethnicity** | | |
| White | | | | | | | |  | |  | | |
| Black/ African American | | | | | | | |  | |  | | |
| Asian | | | | | | | |  | |  | | |
| American Indian/Alaskan Native | | | | | | | |  | |  | | |
| Native Hawaiian/Other Pacific Islander | | | | | | | |  | |  | | |
| American Indian/Alaskan Native and White | | | | | | | |  | |  | | |
| Asian and White | | | | | | | |  | |  | | |
| Black/African American and White | | | | | | | |  | |  | | |
| American Indian/Alaskan Native and Black/African American | | | | | | | |  | |  | | |
| Other Individuals Reporting more than One Race | | | | | | | |  | |  | | |
| I choose to not respond 🞎 | | | | | | | | | | | | |

Use the most recent Section 8 Income Limits for your county, which can be found at: [huduser.gov/portal/datasets/il/il2024/select\_Geography.odn?STATES=17.0&statelist=17.0&stname=&wherefrom=%24wherefrom%24&statefp=00&year=&ne\_flag=0&selection\_type=&incpath=%24incpath%24&data=2024](https://www.huduser.gov/portal/datasets/il/il2024/select_Geography.odn?STATES=17.0&statelist=17.0&stname=&wherefrom=%24wherefrom%24&statefp=00&year=&ne_flag=0&selection_type=&incpath=%24incpath%24&data=2024)

**NOTE TO LANDLORD: Please print off this page, highlight the “Low 80% Income Limit Amount”, and provide to your renter(s).**

1. What is the “Low 80% Income Limit Amount” for the number of persons in your family? \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_
2. Is your income less than the amount on line 7 above? \_\_\_\_\_Yes \_\_\_\_\_No

COMMENTS: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

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

**STATE OF ILLINOIS CDBG**

**PROCUREMENT STANDARDS**

OVERVIEW

The primary goal of the rules and regulations governing procurement is to ensure open and free competition for federally assisted projects. The various procurement methods outlined in this chapter all attempt to promote open and free competition for contracts. Open and free competition by nature mandates contracting opportunity is equal opportunity. The goal of the State CDBG Program is to ensure that small firms along with women and minority owned firms have an equal opportunity to participate in contract opportunities provided by the program. Requirements related to Section 3 and Minority and Women Business Enterprise (MBE/WBE) participation are in place to ensure this opportunity.

Units of General Local Government (UGLG) may use their own procurement procedures, which reflect applicable state and local laws and regulations, provided that the procurement conforms to federal procurement regulations, 2 CFR Part 200. If a community does not have a written procurement policy, the CDBG policy must be adopted for all phases of the project.

In addition, the State of Illinois’ Compiled Statutes must also be considered when establishing procurement procedures. Illinois Compiled Statutes that may apply can be found at: <http://www.ilga.gov/legislation/ilcs/ilcs.asp> in:

Chapter 50 – Local Government

Chapter 55 – Counties

Chapter 60 – Townships

Chapter 65 – Municipalities

UGLGs should follow the stricter regulation, whether Federal, State or Local Government.

The Grantee shall conduct all procurement transactions in a manner providing for full and open competition and comply with all applicable federal procurement regulations (2 CFR 200, Section 200.318 through Section 200.326). The Grantee shall also follow the federal conflict of interest provisions (24 CFR 570.489(h)) and/or Illinois’ Procurement Ethics and Disclosure law (30 ILCS 500/50), whichever are more stringent. The Grantee must maintain all records and source documentation related to its purchase of services, supplies, materials, property, equipment or other acquisitions. Procurement records will include rationale for the method of procurement selection of contract type, contractor selection or rejection, and basis of contract price. The Grantee shall provide the Department with executed copies of all contracts along with documentation concerning the selection process as part of the grant reporting process. The Grantee agrees to abide by the provisions of 2 CFR 200; 24 CFR 570.609; and 24 CFR 570.611, which include, but are not limited to, the following:

1. The Grantee shall maintain a written code or standards of conduct that shall govern the performance of its officers, employees or agents engaged in the award and administration of contracts supported by Federal funds.
2. The Grantee shall comply with the requirements set forth in 24 CFR Part 5 concerning the use of debarred, suspended or ineligible contractors or subrecipients.
3. No employee, officer or agent of the Grantee shall participate in the selection, or in the award, or administration of, a contract supported by Federal funds if a conflict of interest, real or apparent, would be involved.
4. No covered persons who exercise or have exercised any functions or responsibilities with respect to CDBG assisted activities (Project/Scope of Work), or who are in a position to participate in a decision-making process or gain inside information with regard to such activities, may obtain a financial interest in any contract, or have a financial interest in any contract, subcontract, or agreement with respect to the CDBG assisted activity, or with respect to the proceeds from the CDBG assisted activity, either for themselves or those with whom they have business or immediate family ties, during their tenure or for a period of one (1) year thereafter. For purposes of this paragraph, a “covered person” includes any person who is an employee, agent, consultant, officer, or elected or appointed official of the Grantee, or any designated public agency.

STANDARDS AND PROCEDURES

The standards and procedures for procurement and contracting are intended to ensure that supplies, equipment, construction, and other services are obtained as efficiently and economically as possible. Solicitations must explain all the requirements that the bidder/offeror has to meet for his or her bid/offer to be evaluated by the UGLG. Solicitations for goods and services must be based on a clear and accurate description of the material, product, or service to be procured and cannot contain features which unduly restrict competition. Some of the situations considered to be restrictive of competition include, but are not limited to:

• Placing unreasonable qualifying requirements on firms;

• Requiring unnecessary experience or excessive bonding;

• Specifying only brand name products, instead of allowing an equal product;

• Non-competitive pricing practices between firms or affiliated companies; and

• Non-competitive awards to consultants on retainer contracts.

Awards are to be made to the bidder/offeror whose bid/offer is responsive to the solicitation and is most advantageous to the UGLG, price and other factors considered. Any and all bids may be rejected when it is in the UGLG’s interest to do so. The UGLG must ensure that the award is made only to responsible contractors possessing the ability to perform successfully under the terms and conditions of the proposed procurement. Consideration should be given to such matters as contractor integrity, compliance with public policy, record of past performance, financial capabilities, and technical capabilities.

USE OF LOCAL, SMALL, MINORITY-OWNED and/or WOMEN-OWNED BUSINESSES

Federal regulations make it very clear that UGLGs should make every effort to use local business firms and contract with small, minority-owned, and women-owned businesses in the procurement process. Specifically, the UGLG must take affirmative steps to use small firms, minority-owned firms, women-owned firms, or labor surplus area firms. For example, the UGLG should:

• Incorporate such businesses in solicitation lists whenever they are potential sources;

• Ensure that such businesses are solicited when identified as potential sources;

• Divide procurement requirements, when economically feasible, to permit maximum participation of such businesses; and

• Require prime contractors, when subcontracts are let, to take affirmative steps to select such firms.

USE OF SECTION 3 BUSINESSES

In conformance with requirements of Section 3 of the Housing and Community Development Act of 1968, to the greatest extent feasible, the UGLG must award contracts for work to be performed to eligible businesses located in or owned by residents of the distribution area to ensure that employment and other economic opportunities generated by federal financial assistance for housing and community development programs shall, to the greatest extent feasible, be directed toward low- and very-low income persons, particularly those who are recipients of government assistance for housing.

DEBARRED & INELIGIBLE CONTRACTORS

The UGLG must ensure that awards are not made to any party which is debarred or suspended, or is otherwise excluded from or ineligible for, participation in federal assistance programs under Executive Order 12549 “Debarment and Suspension" UGLG must check the status of all contractors and sub-contractors on the System for Award Management (SAM) at http://sam.gov/.

EXCEPTION FOR ACTIVITY DELIVERY CONTRACTS

As outlined under 2 CFR 200.318(e), to foster greater economy and efficiency and to promote the cost-effective use of shared services across the Federal government, the local governmental unit receiving CDBG funds may procure its sub-grant’s Activity Delivery services from an intergovernmental agreement organization, such as a regional planning commission (RPC), or a governmental-private sector inter-entity agreement organization, such as a regional economic development corporation (EDC), without regard to the competitive procurement provisions outlined in 2 CFR 200.320.

A primary function of regional planning commissions and of regional economic development corporations is to assist units of local government, under the oversight and control, or partial control, of elected officials from the member units of local government. The public purpose served by regional planning commissions and regional economic development corporations, combined with the local control of each, lends itself to protection equal to those contemplated by the competitive provisions of 2 CFR 200.320. However, nothing prevents any UGLG from complying with the provisions of Subpart 320 when procuring administrative services if the UGLG deems compliance to be equitable and in their best interest.

CONFLICTS OF INTEREST

Recipients must avoid conflicts of interest. In the procurement of property and services, 2 CFR 200.319 regarding conflicts of interest apply. In all cases not governed by those rules, conflicts of interest are not permitted. If a person is an employee, agent, consultant, elected official or appointed official of a recipient or subrecipient of CDBG funds and has project-related responsibilities or access to inside information, he or she may not obtain a financial benefit or interest from the project for himself or herself or those with whom he or she has family or business ties during his or her tenure or for one year thereafter.

SELECTION

The lowest, most responsible and responsive bidder must be selected to provide the required supplies, equipment, or services, with the exception of engineering and architectural services. Only A/E professional services may use factors other than price as a selection factor. Responsive refers to a valid and correct bid. Examples of responsiveness include bids turned in prior to the deadline, bid forms filled out correctly, bids containing all required information (bonds), etc. UGLGs may discard a non-responsive construction bid. Responsible refers to financial standing, skill, facilities, capacity, experience, previous work record, or any default within the last 12-month period. Discarding a construction contractor solely based upon the factors of “responsibility” demands much more documentation and requires the written recommendation of the UGLG’s own attorney.

PROCUREMENT METHODS

2 CFR Part 200 allows five methods of procurement: micro-purchase, small purchase, competitive sealed bids, procurement by competitive proposals, and procurement by noncompetitive proposals. Each of these methods is described below. Again, if the UGLG has written procurement procedures or if a State statute applies, the stricter method shall be followed.

1. Micro-Purchase

Procurement by micro-purchase is the procurement of supplies or services of which the aggregate dollar amount does not exceed $1,000 (or $2,000 in the case of procurement for construction, subject to the Davis-Bacon Act). To the extent practicable, the grantee must distribute micro-purchases equitably among qualified suppliers. Micro-purchases may be awarded without soliciting competitive quotations if the grantee considers the price to be reasonable.

2. Small Purchase

This method of procurement may be used for the procurement of services, supplies, and/or other property that has an estimated dollar value less than the threshold limits and restrictions determined by 2 CFR Part 200, State or Local statutes. The Small Purchases Method of procurement may not be used for professional services such as Architectural, Engineering, Grant Administration, etc.

Step 1: Determine Threshold. The UGLG must determine whether or not the estimated dollar amount of the product or service being procured is equal to or less than the applicable bidding limit. If the estimated amount is equal to or less than the amount prescribed, go to Step 2. If the estimated amount will exceed the prescribed limit, use another method of procurement.

Step 2: Prepare Solicitation for Products/Services By email, letter or fax, at least three vendors must be contacted for competitive quotes. There is no requirement to contact MBE/ WBE providers. At least seven days must be allowed for responses. The UGLG should be specific in describing the product or service being requested.

Step 3: Document Responses. All responses should be documented and records maintained. Verbal quotes are not valid.

Step 4: Make Vendor Selection. If the vendor with the lowest quote is not selected, the UGLG must document the justification as to why another vendor was selected. Issues such as poor past performance or bad references are typical reasons for selection denial. The UGLG’s legal counsel should be consulted on all procurements awarded to vendors not having the lowest quote.

Step 5: Execution of Contract(s). The UGLG may execute contracts with the successful vendor after they have received the Environmental Release Letter from the State. If the UGLG only receives one quote, the consulting Engineer or Architect must validate that the price is reasonable. For record keeping purposes, a cost analysis must be performed. Making several separate small purchases from the same vendor or different vendors in order to stay under the formal bidding threshold is prohibited.

3. Competitive Sealed Bids

The Competitive Sealed Bid method is also referred to as an Invitation for Bid (IFB). This method of procurement is much more formal than the others and does not allow for negotiation. It is the required procurement method for all CDBG construction work.

Step 1: Prepare Invitation for Bid (IFB). The grantee must develop an IFB that clearly identifies the services required including: all technical specifications required, any other requirements that apply to the contract, and instructions for preparing and submitting a bid. Bid specifications may not identify a specific name brand or provider except if required to identify a piece of equipment necessary for completion of the project. In this instance, the name brand or provider must be followed with the terminology, ‘or approved equals’. Bid specifications are prepared by the professional services provider, either an Architect or Engineer and must include all parts of the project scope as outlined in the Grant Agreement. It is the responsibility of the UGLG to provide the bid specifications preparer with a copy of the Federal Construction Contract Provisions and the Davis Bacon Wage Decision applicable to the project. The bid specifications must include a statement that the Wage Decision is subject to change and the one that is in effect on the date of the bid opening will be applicable to the total project if the contract is awarded within 90 days of bid opening. If not, the applicable Wage Decision becomes the one that is in effect on the date that contracts are signed.

Step 2: Publish Invitation for Bid (IFB). The IFB must be published at least twice in a newspaper of general circulation, at least seven days apart. The last advertisement must be published at least seven days prior to the bid opening date. The IFB must state the date, time and location for submission of bids. The legal advertisement must provide information pertaining to where the project plans and specifications may be obtained or reviewed. In order to obtain the highest level of free and open competition, publishing the IFB in well-known trade journals and/or sending a copy of the IFB to the area’s local contractors may increase the number of responses received.

Step 3: Solicit MBE/WBE Responses.

Step 4: Receive Bids. As bid packets arrive, the time and date the bid was received from the vendor is written on the outside of the bid packet. Any bid received after the date and time due must be rejected and returned to submitter unopened.

Step 5: Open Bids. Bids must be opened and read aloud at a public meeting, at the date, time and location stated in the legal advertisement. The bidder’s name and amount of bid must be read and recorded in the minutes of the bid opening meeting. No action should be taken at the bid opening meeting except by order of the CEO to take the bids under advisement. Bid opening meeting minutes and a sign in sheet of all attendees must be maintained for the project records. If all bids exceed the amount budgeted for construction costs, the UGLG has only two options. The local funds budget may be increased to cover the additional costs or all bids may be rejected and the CEO may instruct the Architect or Engineer to revise bid specifications and rebid the project in an attempt to bring construction costs to within the project budget. The project may not be altered or changed to eliminate any part of the original project scope.

Step 6: Make Vendor Selection. The Competitive Sealed Bid Method of procurement requires that the construction contract be awarded to the lowest bidder, provided that the lowest bidder is found to be a responsive and responsible bidder. If the bids received are within the project budget, the Architect or Engineer will review all bid packages to determine if each one is responsive and responsible and the Grantee’s legal counsel will verify that the bonding and certification requirements outlined in the bid specifications have been included. Upon completion of these reviews, the Architect or Engineer will prepare a bid tabulation sheet and a written statement to the UGLG making a recommendation of the lowest responsive and

responsible bidder. The bid tabulation must be certified (stamped) by the project Architect or Engineer. If the low bidder is found to be unresponsive or irresponsible and is not recommended by the project Architect or Engineer, the UGLG’s legal counsel must be consulted prior to making the determination to reject the lowest bid and consider the second lowest bidder. A written legal opinion must accompany all procurement documents where the low bidder was not selected in case of a formal bid protest or possible litigation.

Step 7: All unsuccessful bidders must be notified in writing if not documented as present at the bid opening.

Step 8: Award Construction Contract. When the Grantee has received the Architect or Engineer’s recommendation for award and certified bid tabulation, the UGLG may award a firm, fixed price contract to the recommended bidder.

4. Procurement by Competitive Proposals (Request for Proposals (RFP’s)/Request for Qualifications (RFQ’s)

Competitive Proposals are generally used when sealed bids are not appropriate. The Competitive Proposal process is most typically used for the procurement of professional services, including, but not limited to administration, architecture, engineering, asbestos inspection, demolition inspection, and title search services.

When procuring the services of a licensed Architect or Engineer, and these services are to be paid for using federal funds, the UGLG should develop and distribute to a number of companies, a Request for Qualifications (RFQ) that may utilize the Architectural or Engineering Industries’ Qualification Based Selection (QBS) procedures.

All RFPs and RFQs received must be evaluated. A written method for evaluation, which includes the significant factors used to determine the contract selection award, must be prepared and publicized along with the Request.

Step 1: Prepare RFP/RFQ. The Grantee must prepare a Request for Proposal or Request for Qualifications.

Step 2: Solicit Responses. Send the RFP/RFQ to at least five vendors.

Step 3: Publish RFP. The Grantee must advertise the RFP at least once in a newspaper of general circulation. A formal legal advertisement is required. Proposals are due no sooner than 15 days following the date of publication of the legal advertisement; OR Publish RFQ. The Grantee must publish the RFQ at least once in a newspaper of general circulation a minimum of 30 days prior to the RFQ submission due date. A formal legal advertisement is required.

Step 4: Establish Evaluation Committee. Appoint an evaluation team of knowledgeable members (town council, board of public works members, etc.) and develop an evaluation plan to rank respondents and provide guidance during the selection process. Typically three to five people make up the Evaluation Committee. At least one of the committee members must be the Chief Elected Official (CEO) or designee.

Step 5: Open Responses. Responses must be received at the address stated in the legal advertisement, logged in and stamped with the date and time received prior to being opened and submitted to the Evaluation Committee for review. Any response not received by the date and time stated in the legal advertisement must be returned, unopened to the submitter.

Step 6: Short List Vendors. The purpose of the evaluation process is to select the responders whose proposals meet all of the criteria required in the solicitation. The committee must select two or more of the responders for interviews.

Step 7: Conduct Interviews. The UGLG is required to contact the firms selected, in writing with the time, date and location of the interview. The UGLG must also notify those who will not be interviewed. On occasion, the UGLG may receive only one proposal. That respondent must be interviewed before the scoring committee. The interview may be conducted via conference call.

Step 8: Make Vendor Selection. Each member of the Evaluation Committee must complete an Interview Evaluation and Score Sheet for each vendor short listed. Each scorer must use the same scoring and weighting criteria making their best effort to score each proposal fairly and without bias. The score sheets must be signed by each member of the Evaluation Committee and maintained in the project file. Following the Evaluation Committee’s review, the vendor whose proposal is determined to be the most advantageous to the project, based upon qualifications, price (if applicable) and other factors may be selected.

If utilizing QBS Procedures, the vendor with the highest number of aggregate points should be selected for price negotiations. If unable to reach an agreement on the fees to be charged for the services required, the Statement of Qualifications may be rejected and the vendor with the second highest number of aggregate points may be approached for price negotiations. This process may continue until an agreement is reached, so long as the vendor selected is capable of providing the requested services based upon quality and other relevant factors.

Step 9: Notify Successful and Unsuccessful Proposer(s). The UGLG must notify all successful and unsuccessful vendors, in writing.

Step 10: Execution of Contract. The UGLG may execute contracts with the successful vendor.

5. Procurement by Noncompetitive Proposals

This method of procurement is used to solicit products or services from a single source and may only be used when the other three methods of procurement are not applicable. Generally, the State does not allow Procurement by Noncompetitive Proposals. The stipulations that would exclude the other methods of procurement include the following:

* The item or service can only be obtained from one source.
* A condition of public emergency or urgency exists and time does not permit the use of a competitive procurement method.
* Following solicitation of a number of service providers, competition was deemed to be inadequate.
* State expressly authorizes.
* Noncompetitive and Sole Source procurement is discouraged and must be well documented to avoid disallowance.

Step 1: Justification for Use of Method. The UGLG must prepare a written justification as to why this method of procurement is being utilized and allow the State to review this justification prior to proceeding to Step 2.

Step 2: Specification of Products/Services. Prepare a specific list of products or services to be acquired along with a cost price analysis that evaluates specific elements of cost and proposed profit.

Step 3: Verify Data. A licensed Architect or Engineer must verify the UGLG’s data to certify the specifications and reasonableness of the estimated costs.

Step 4: Specification of Products/Services. The vendor should be provided with a specific listing of products or services required.

Step 5: Evaluate Bid. The bid is evaluated based upon responsiveness and price reasonability. For this method of procurement, the UGLG may negotiate with the vendor to assure the most advantageous offer is acquired.

Step 6: Execution of Contract. The Grantee may execute contracts with the successful vendor.

BONDING AND INSURANCE

2 CFR Part 200 specifies bonding and insurance requirements for federally supported activities. In carrying out CDBG activities (except professional services contracts), CDBG recipients must establish bonding and insurance requirements that ensure completion of CDBG funded construction contracts in the event of contractor or subcontractor default.

For contracts exceeding $25,000, recipients must require a bid guarantee from each bidder equivalent to 5% of the bid price. This may be secured through a bid bond or a certified check. Any contract with an amount over $25,000 is required to produce documentation of performance bonding within two weeks of contract award. The contractor will obtain a performance bond for 100% of the contract price to ensure completion of the contract. Any contract with an amount over $50,000 requires the contractor to produce documentation of a payment bond for 100% of the contract price to ensure payment to all persons supplying labor and materials.

In the event of the surety performing under a takeover agreement, the bonding company must produce evidence of participation in the E-Verify program.

Grantees are free to use their requirements relating to bid guarantees, performance bonds, and payment bonds for contracts of $25,000 or less in value.

An irrevocable letter of credit from a federally insured financial institution may be used for contracts of less than $25,000. The irrevocable letter of credit cannot have an expiration date and must remain in effect for the duration of the federally funded project.

RECORDS AND FILES

The UGLG shall maintain records to detail the significant history of a procurement and contracting and monitor the contracts to assure that the contracts are completed in a satisfactory and timely manner.

The Procurement and Contracting files must contain:

* Description of method used to select consultants and contractors
* Request for Bids (RFB), Request of Qualifications (RFQ) and Request of Proposals (RFP) documents including advertisements, correspondence, and bids/qualifications/ proposals received evaluation method(s)
* Cost and pricing data
* Record of the approval by the governing body of the bid/qualifications/proposal accepted/selected
* Contract(s) for services
* Records of partial payments and supporting documentation (in financial management files)
* Contract amendments (if any) and rationale for the amendment
* Procurement Policy
* Conflict of Interest disclosure documents and records/Exemption Request documentation (if applicable)
* Evidence of debarment search

**PLAYING BY THE RULES**

**A Handbook for Subrecipients on Administrative Systems**

[**https://files.hudexchange.info/resources/documents/Playing-By-the-Rules-a-Handbook-for-CDBG-Subrecipients-On-Administrative-Systems.pdf**](https://files.hudexchange.info/resources/documents/Playing-By-the-Rules-a-Handbook-for-CDBG-Subrecipients-On-Administrative-Systems.pdf)