

# STATE OF ILLINOIS



## **CDBG Disaster Recovery "Midwest" Program** *Special Allocation of the Community Development Block Grant (CDBG) Program*

### **APPLICATION GUIDELINES**

*Updated April 2010*

**COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG)**  
**CDBG "Midwest" Disaster Recovery Program**  
**Application Guidelines**  
*Updated April 2010*

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## **COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) CDBG "Midwest" Disaster Recovery Program**

### **INTRODUCTION**

The Supplemental Appropriations Act, 2008 (Public Law 110-252-No.1), enacted on June 30, 2008, appropriated \$300 million through the Community Development Block Grant (CDBG) program for "necessary expenses related to disaster relief, long-term recovery, and restoration of infrastructure, housing, and economic revitalization in areas affected by hurricanes, floods, and other natural disasters occurring during 2008 for which the President declared a major disaster...". The U. S. Department of Housing and Urban Development (HUD) was designated by Congress as the administering agency. On December 24, 2008, Illinois was allocated \$17,341,434 through the Supplemental Appropriations Act, 2008 (Public Law 110-252-No.2), reflecting Illinois' share of the \$300 million appropriation approved under Public Law 110-252-No.1. This supplemental disaster recovery allocation is known as the CDBG "Midwest" Disaster Recovery program.

Illinois Governor Pat Quinn designated the Illinois Department of Commerce and Economic Opportunity (DCEO) to administer the CDBG Midwest Disaster Recovery Program on behalf of the State of Illinois. DCEO invited input by communities, individuals and other interested parties, in developing its CDBG-Midwest Action Plan, which outlined the eligible activities available to assist counties to meet unmet housing, business, public service, public infrastructure and other needs incurred by the 2008 disasters as well as addressing critical needs stemming from previous flooding in many of the same areas which impair long-term recovery, restoration of infrastructure and response to future disasters. Illinois received approval of its CDBG Midwest action plan, revised in September 2009, by HUD communication in November 2009 followed by official Notice of Award in January 2010.

### **IMPACT OF SEVERE STORMS AND FLOODING AND ILLINOIS' RECOVERY NEEDS**

Heavy rains that fell across the Upper Mississippi River Basin in the summer of 2007 were responsible for the Federal Emergency Management Agency (FEMA) 1771-DR-IL disaster declaration. These same rains caused significant flooding in southeastern Minnesota, eastern Iowa, southern Wisconsin and northern Illinois. Large portions of northern Illinois received between 125 and 175 inches of rain during this period, and this, combined with the above-normal precipitation in the winter of 2007-2008, created a condition of almost permanent soil saturation through the spring of 2008. From March 1 to May 31, 2008, an additional 150-175 inches of precipitation fell across the Mississippi River Basin, adding to the already hazardous situation. With the permanent soil saturation from the previous periods of heavy precipitation the state was set for a major flooding event. The rains that were most immediately responsible for the major flooding seen in river systems across Illinois came in the first half of June 2008

On June 1, 2008, with heavy rains still falling, rivers and streams in the eastern, northern and western sections of the state began to rise. On June 2<sup>nd</sup>, the Wabash River at Hutsonville, IL, reached flood stage at 16 feet. On June 3, 2008, the Mississippi River reached flood stage in several communities (Burlington, Hannibal, Saverton, Louisiana, and Clarksville) along its course. On June 4, 2008, four more communities along the Mississippi River (Gladstone, Gregory Landing, Canton, and Quincy) reached flood stage. In response to the rising waters, first responders in the affected areas immediately began life safety operations and on June 4<sup>th</sup>, the American Red Cross opened the first of seven shelters to provide temporary shelter to those who had been displaced by the flooding. On June 5, 2008, the Mississippi River at Alton reached flood stage at 21 feet. By June 7, 2008, the Embarras River at Ste. Marie and Lawrenceville as well as the Mississippi River at Keithsburg had reached flood stage. On June 8<sup>th</sup> and 9<sup>th</sup>, the Mississippi River at New Boston, the Wabash River at Mount Carmel, the Des Plaines River at Russell and the Rock River at Shirland all reached flood stage. On June 10, 2008, with the Mississippi, Embarras, Wabash, Des Plaines, and Rock rivers continuing to rise, the Governor of the State of Illinois Rod R. Blagojevich authorized the activation of the State of Illinois Emergency Operations plan. By that point, assets of various state agencies, including: Illinois State Police (ISP), Illinois Department of Transportation (IDOT), Illinois Department of Natural Resources (IDNR), Illinois Emergency Management Agency (IEMA) and the Illinois Department of Public Health (IDPH) were providing assistance in the affected areas.

During the period of June 10 through June 14, 2008, the Des Plaines River at Gurnee, the Rock River at Latham Park and Rockton, and the Mississippi River at various locations north of New Boston reached flood stage. On June 13, 2008, the Governor made a request for expedited a Federal Disaster Declaration for the affected counties in all regions of the state. From the middle to the end of June the waters continued to rise on the Embarras, Wabash, Des Plaines, Rock and Mississippi Rivers inundating homes, businesses and transportation corridors. As of June 27, 2008, heavy rains were continuing to inundate river basins that feed major waterways across Illinois.

## **FEDERAL AND STATE PROGRAM OBJECTIVES**

To ensure that Illinois' CDBG "Midwest" Disaster Recovery Program meets the intent of the federal Housing and Community Development ("HCD") Act of 1974, as amended, Congress has required that the program meets at least one of the following three national objectives:

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

To complement these federally-mandated objectives, the state has established the following specific objectives for the CDBG "Midwest" Disaster Recovery Program:

- ◆ Strengthened community economic development through the creation of jobs, stimulation of private investment and strengthening the tax base;
- ◆ Improvement of public infrastructure and elimination of conditions which are detrimental to health, safety and public welfare; and
- ◆ Conservation and expansion of the state's housing stock in order to provide decent housing and a suitable living environment for persons of low-to-moderate income and the developmentally disabled.

Within the statutory requirements of the HCD Act, Illinois defined its own program objectives and procedures for program administration and developed criteria for selection of project grant awards. Illinois' CDBG "Midwest" Program targets and prioritizes housing and public infrastructure programs designed to meet locally defined community needs, with an emphasis on addressing long or longer term forms of recovery.

## **NATIONAL OBJECTIVES**

Projects seeking CDBG "Midwest" funding consideration must meet at least one of the three following HUD national objectives in place for the Community Development Block Grant (CDBG) program. Each applicant will have to identify which of the proposed national objective is supported by the project.

Selections and awards will be made in light and in reflection of the requirement to meet a national objective. The State can achieve compliance by supporting projects demonstrating that one of the three national objectives can be met under all "Midwest" grant awards and in approving 50% or more of the program funding for projects that will support the "LMI Benefit" national objective specifically. Fifty percent or less of the "Midwest" program funding may be used to meet the national objectives of "urgent need" (e.g., a threat to health and safety), or "slum blight".

### **(1) Benefit to low-moderate income (LMI) persons**

To satisfy the "LMI benefit" objective, applications must document that a minimum of 51% of project funds will benefit low-to-moderate income persons<sup>1</sup>. This can be documented in one of two ways:

Utilization of 2000 Census Data - the income limits for family income and unrelated individual income limits must be used. Those calculations are available from the Department and must be obtained by contacting the CDBG "Midwest" Program Office at 217/785-6142; TDD: 800/785-6055.

Conducting Community-Wide or Target Area Survey - an applicant must use the federal 2009 Section 8 Program income guidelines which can be found at: <http://www.huduser.org/datasets/il.html>. Applicants are to use the survey format on pages 32-33.

## **(2) Urgent Need**

To satisfy the "Urgent Need" objective, applications must document a threat to health or safety.

## **(3) Prevention or elimination of slums and blight**

To satisfy the "Slum/Blight" objective, projects must reside in areas designated as a "slum/blight" area. This must be documented by including a copy of the resolution from city (or county) designating the area targeted for the project as a slum & blight area.

## **METHOD OF DISTRIBUTION**

### **1) Housing Buyouts – FEMA Match**

CDBG "Midwest" Program funds will be used as the 25% local match required for FEMA/IEMA- approved home buyouts projects in flood-prone areas. The following parameters are proposed for this category of funding:

- 1) Allocation for Activity: \$4,000,000.
- 2) Eligible Applicants: Applicants eligible under the FEMA Hazard Mitigation Grant Program in Illinois.
- 3) Threshold criterion:
  - (i.) Receipt of a grant award commitment for projects approved by the FEMA Hazard Mitigation Grant Program for Illinois housing buyouts.
- 4) Selection Criterion:
  - (i.) Projects will be funded in order of priority, determined by Illinois' Interagency Mitigation Advisory Group.
- 5) Grant Size limits: Limited to 25% of the total CDBG disaster budget allocated for housing buyouts in approved FEMA " Hazard Mitigation Grant Program" awards, plus 5% administration.

\*Funding level based on projection from IEMA on the shortfall in local government contribution to housing buyout costs.

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<sup>1</sup> *Note Regarding the National "LMI Benefit" Objective.* Fifty percent or more of the CDBG "Midwest" funds allocated to Illinois must be used for activities that meet the LMI national objective of benefiting at least 51% of persons of Low to Moderate income. "Low-to-moderate" is defined as having income at 80% of median household income or below. The LMI benefit may use *area* benefit, *direct* benefit (such as housing, jobs, or limited clientele).

## 2) Public Infrastructure

CDBG "Midwest" Program funds will be used as the 25% local match required for the FEMA/IEMA- approved infrastructure projects in flood-prone areas and for projects that FEMA or other sources cannot fund, but which are nevertheless critical to recovery<sup>2</sup>. Examples include damaged water and sewer systems, storm drainage, levees, roads and bridges.

- 1) Allocation for Activity: \$12,474,363 (Any funds returned or unobligated after housing buyouts have been completed for all applicants will be allocated to this activity).
- 2) Eligible Applicants: Local and county governments (in regions eligible for this disaster recovery funding).
- 3) Threshold Criteria (All criteria must be met:
  - (i.) Receipt of an award commitment for the FEMA Hazard Mitigation Grant Program or project will address needs arising from the 2008 disaster not eligible under FEMA.<sup>3</sup>
- 4) Selection Criteria (All criteria will be weighted equally):
  - (i.) Project is the best alternative to resolve the need.
  - (ii.) Urgency of the need for the facility; threat to health, safety, or welfare.
  - (iii.) Sufficient other local, state, or federal funds either are either not available or cannot be obtained in the period required.
  - (iv.) Use of additional local taxes or user fees in place of the requested assistance would place undue burden on residents, especially low- and moderate income households.
- 5) Individual grant limit: No single project may be awarded more than 25% of all funds available for this activity, which equals \$3,118,591.

## 3) Business Assistance

Businesses that were damaged by flood-related disaster within the eligible period may seek assistance in the form of grants and low-interest loans to fill budget gaps.

- 1) Allocation for Activity: \$0. (There is no set-aside for the business assistance category- projects can be considered only if funding is available and transferred from other categories, assuming all funding is not utilized in categories with budget set-asides.)
- 2) Eligible Applicants: Local and county governments (in regions eligible for this disaster-recovery funding).
- 3) Selection Criterion: Projects will be evaluated using the CDAP Economic development guide lines established in the current year CDAP action plan.
  - (i.) The funding is sought and is considered necessary to bring the business back to pre-flood production or service levels
- 4) Individual grant limit: \$250,000. (Funding may not be available in this category, per comments under Allocation).

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<sup>2</sup> DCEO will prioritize FEMA-match funded projects under the CDBG "Midwest" Disaster Recovery Program-- see *"Note to Applicants and Other Interested Parties about Funding Priority"* at the end of this section.

<sup>3</sup> See Footnote #2.

#### **4) State Administration**

State administration will include staff, equipment, consultant, and other operating costs involved in selection, funding, assisting, and monitoring local projects, detailed quarterly reporting to HUD, documentation of adherence to all laws, and other expenses.

Allocation for Activity: \$867,071.

#### **FUNDING AVAILABILITY**

##### ***Note to Applicants and Other Interested Parties about "Midwest" Funding Priorities Established***

Per the threshold criteria established for the CDBG "Midwest" public infrastructure program, DCEO will consider, in addition to providing match funding for FEMA- HMGP-approved projects, projects that are not eligible for this funding. However, DCEO is prioritizing those projects that can provide match funding for FEMA-approved public infrastructure projects that also meet CDBG Midwest public infrastructure criteria. At the time Illinois' "Midwest" plan was submitted and later revised, the range of FEMA-approved public infrastructure projects eligible for "Midwest" funding was unclear. Separate disaster recovery funding under the CDBG "Ike" program had also not been approved and the method of distribution under "Ike" program had not been developed by the state. Under the "Ike" Disaster Recovery program, funding for projects that do not receive for FEMA-HMGP program funds, but meet CDBG "Ike" criteria will be prioritized. Under the CDBG "Midwest" PI program, FEMA-approved projects, seeking CDBG Midwest match funding are prioritized. Exceptions to the prioritizing under the two disaster recovery programs may be made under each, as determined by the Department.

DCEO on behalf of the state of Illinois, reserves the right to shift money from one program to another if the need should arise, or it is determined that doing so will better support the objectives for this funding as outlined in this plan document.



**METHOD OF DISTRIBUTION - TABLE SUMMARY**

<b><u>Program Category</u></b>	<b><u>Budget</u></b>	<b><u>Individual Grant Ceiling</u></b>	<b><u>Application Review Period</u></b>
Housing Buyouts	\$4,000,000	\$1,000,000*	Ongoing
Public Infrastructure	\$12,474,363	\$3,118,591*	Ongoing
Business Assistance**	0	\$250,000	NA
State Administration	\$867,071	NA	NA
<b>TOTAL Program Budget</b>	<b>\$17,341,434</b>		

\* A single project in either category is limited to 25% of the budget allocation for the category.

\*\* There is no set-aside for the business assistance category- projects will be considered only if funding is available for transfer from other categories.

Illinois received an allocation of \$17,341,434 under the Community Development Block Grant- Disaster Recovery 1771 ("Midwest") Program. Each program component has a maximum funding level or grant ceiling. While grant ceilings establish the upper limits that may be requested, individual grants are approved only in amounts that are commensurate with the requirements of the proposed project.

The state of Illinois reserves the right to shift money from one program component to another if the need should arise.

## **ELIGIBLE APPLICANTS**

Only units of general local government (i.e., cities, villages, townships and counties) may apply for funding. **County and township applicants should not include areas of the county or township that are incorporated within a city or village.** Incorporated areas should apply on their own behalf, regardless of whether a water district or sanitary district is involved.

Units of general local government may also submit "on behalf of" applications for local entities that otherwise may not be eligible to apply. In a situation where two or more eligible local governments face a common problem, a joint application may be filed. (See page 47 of this application guide for a sample cooperation agreement.) Local governments, however, must not only share a common problem but must be able to demonstrate that a joint effort is required to solve the problem. Joint applications which are submitted only for administrative convenience will not be accepted. Local governments considering a joint application must contact the Department prior to submittal. An "on behalf of" or joint application may not be filed for an entitlement city or a city located in an entitlement county. In addition, an "on behalf of" or joint application may not be filed solely for the purpose of circumventing the rule that a unit of local government may submit only one application per component.

*Note to Illinois Entitlement Communities: DCEO may accept CDBG Midwest Program applications from entitlement communities that are within one of 25 counties that were declared under the FEMA 1771 declaration. See the page entitled "Federally-Designated Areas in Illinois Eligible for CDBG-DR-"Midwest" Assistance" for the listing of these counties.*

## **ELIGIBLE ACTIVITIES**

### **Housing Buyouts - FEMA match**

- CDBG "Midwest" Program funds will be used as the 25% match required for the FEMA home buyout program in flood-prone areas
- Communities must indicate whether they are paying pre-flood acquisition prices or post flood acquisition prices for properties. A uniform use of either method must be made within any applicant community.
- Relocation amounts proposed along with post flood purchases may not exceed \$25,000. The calculation of a relocation payment used with a post flood acquisition payment is typically:
  - Amount of comparable decent safe and sanitary home outside the floodplain
  - Less insurance
  - Less any FEMA real property payments
  - Less post flood acquisition amount paid.
  - Equals the actual calculated amount or \$25,000, whichever is less.

### **Other Housing –**

- New housing construction is an eligible activity with these funds.
- The arms length voluntary purchase requirement by a person that does not have the power of eminent domain is waived for purchase of a principle residence.
- The URA requirements of financial assistance sufficient to reduce a displaced persons rent and utility costs to 30 percent of household income is waived.

- The URA requirement to use the moving expense and relocation allowance schedule published by the Federal Highway Administration is waived provided a reasonable allowance is made.
- Section 104(d), the one for one replacement requirement for demolished or converted low and moderate income housing is waived.
- The relocation assistance requirements under 104 (d) are waived and relocation assistance calculations may use the URA standard for all persons.

**Public Infrastructure --**

- CDBG "Midwest" Program funds may be used as the 25% local match required for the FEMA infrastructure projects in flood-prone area
- CDBG "Midwest" Program funds may be used for projects, in flood-prone areas, that FEMA or other sources cannot fund

**Debris Removal/Cleanup –**

- Cleanup and debris removal activities not covered by FEMA

**Business Assistance --**

- A limited waiver of the anti-pirating requirement allows the flexibility to provide assistance to a business located in another state or market area within the same state, if the business was displaced from a declared area, and the business wishes to return.

***Flood Insurance/Floodplain Restrictions:***

*Funds may not be used for persons who may have received previous federal assistance (including loans) where purchase and maintenance of flood insurance was a requirement, and have since allowed that flood insurance to lapse*

*All grantees must inform participating property owners of the future requirements to purchase and maintain flood insurance.*

*No funds may be used for any activities in areas 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*

*Homeless shelters and transitional housing units impacted by the flood are eligible for assistance through this plan, if these facilities are located outside the 100 year flood plain. If they are/were located within the 100 year flood plain, the facility could be eligible for assistance in rebuilding outside the flood plain.*

**ADDITIONAL APPLICANT INFORMATION**

1. **The Department will not allow any duplication of funding.** Applicants must clearly indicate **private insurance claims** applicable to the project and any **other Federal, State or other assistance** applicable to the project and **deduct such assistance from the total project cost** when identifying the gap and requesting CDBG "Midwest" Program assistance.

2. **Environmental review, civil rights, fair housing, Davis Bacon labor standards, financial management, and contract management** all apply as they do in the regular CDBG "Midwest" Program.
3. Costs incurred in preparation of applications are not reimbursable under this grant program.
4. The Department reserves the right to reject any or all applications received, to negotiate or to cancel in part, or in their entirety, grants resulting from application awards if it is in the Department's best interest to do so.
5. The Department reserves the right to withdraw a commitment for CDBG "Midwest" Program funds where special grant conditions have not been satisfied 90 days after the date of the executed grant agreement, or at the discretion of the Department if it is determined the project will not progress.
6. Project applications may consist of one or more activities which are directly related to or obviously complementary to or supporting one principal activity. The principal activity must clearly be designed to address needs appropriate to the particular CDBG "Midwest" Program component under which an applicant may apply. The selection of the appropriate program component is the responsibility of the applicant.
7. 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 "Midwest" Program component funding area to another. The Department also 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.
8. The Department reserves the right to deny funding when submitted applications involve eligible units of government with serious unresolved audit or monitoring findings related to performance capacity.
9. On an annual basis, the Department will re-evaluate the timely distribution of funds under all program components, as well as the availability of unspent and recaptured funds. Unspent and recaptured funds will be awarded to fund additional projects. Depending upon available funds, a Back-up Funding round may be implemented in November.

### **CITIZEN PARTICIPATION**

The local public hearing requirements under the CDBG "Midwest" Program is waived. However, access to open records by citizens at the local level is required.

### **APPLICANT/GRANTEE/RECIPIENT DISCLOSURE**

Subsequent to Section 102 of the Housing and Urban Development Reform Act of 1989, a number of provisions ensure greater accountability and integrity in the way HUD and its grantees make funds available. CDBG "Midwest" Program is one of the HUD programs covered by Section 102. Applicants will be required to complete a disclosure form (pages 43-46) at the time of application.

## **ADMINISTRATION COSTS**

CDBG "Midwest" Program funds may be used to finance reasonable costs associated with general management, oversight and coordination of the project. Such costs include, but are not limited to, salaries, travel costs, administrative services performed under third party contracts, including legal and audit services, environmental review, additional fidelity bonding costs or other services required for administration of the grant.

Administration costs are eligible with the exception of pre-program costs, such as application preparation and local income survey costs. CDBG "Midwest" Program funds requested for grant administration should be detailed on the "Administration Costs Which Will Be Paid Out of CDBG "Midwest" Program" form (page 35). Administration budgets submitted may include the estimated cost of an audit to be conducted in accordance with the Comptroller General's Governmental Auditing Standards, and the Single Audit Act, as amended by the Single Audit Act Amendments of 1996, and the Office of Management and Budget (OMB) Circular A-133, if applicable. However, be advised that CDBG "Midwest" Program funds can only be used to pay for its portion of the costs of an audit when a "single audit" is required by A-133.

The maximum amount of CDBG "Midwest" Program funds allowed for grant administration for the public infrastructure components of this program is as follows: 6% of grant amount.

## **EVALUATION CRITERIA**

### **Threshold Criteria**

- Receipt of an award commitment under the FEMA Hazard Mitigation Grant Program (HMGP), or
- Proof that the project will address needs arising from the 2008 disaster and is not eligible under FEMA.<sup>4</sup>

### **Selection Criteria**

- Proof that project is best alternative to resolve the need
- Urgency of need; threat to health, safety, or welfare
- Other funds (local, state, federal) are not available or cannot be obtained in period required.
- Use of local taxes or user fees would place an undue burden on residents, especially LMI households

### **Application Evaluation:**

All applications will be evaluated for:

- need (the breadth and depth of the disaster in terms of population affected and sectors (housing, infrastructure, business, environment) affected within the community;
- capacity (the degree of expertise and experience that the local government or contracted agency has to manage the project, administer the funds, and succeed with the outcomes and objectives defined in the application);

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<sup>4</sup> DCEO will prioritize FEMA-match funded projects under the CDBG "Midwest" Disaster Recovery Program-- see "Note to Applicants and Other Interested Parties about Funding Priority" at the end of the "Method of Distribution" narrative.

- the project's impact on short and long term community recovery (the amount of spin off, community awareness and support and degree to which the activities will lead to further recovery);
- local effort (cash, human resources, in-kind efforts);
- consistency with a local short and long term recovery plans;
- consistency with local and state floodplain management practices;
- project sustainability and future disaster mitigation (the degree to which activities are defined with sound construction practices, quality and durability, energy efficiency and flood control or flood resistance)
- Available funds.

## **ADDITIONAL REQUIREMENTS**

In addition to other listed requirements, the following also apply:

1. The Department reserves the right to provide for an outside technical review by appropriate agencies. The Illinois Environmental Protection Agency, the Illinois Department of Public Health, and/or USDA Rural Development may be asked to review public infrastructure projects involving water or sewer activities.
2. The Department will assess the applicant-local government's overall financial capability. Local governments must submit supporting financial data, which, at a minimum, will include submission of their annual audit and completion of the CDBG "Midwest" Program Public Infrastructure Financial Checklist, page 36.
3. Any non-CDBG "Midwest" Program resources or project leveraging must be firmly committed. Also, it must be evident in the application that both CDBG "Midwest" Program and non-CDBG "Midwest" Program funds will address the same need.

Resource leveraging is defined by the Department to mean a financial contribution which includes other sources of private and public financing (e.g., IFA, IEPA and USDA Rural Development)

4. A grant award document will be issued for a contract period of twenty-four months. All projects must be operational at the end of the twenty-four month grant term.
5. Locally-held CDBG "Midwest" Program recaptured funds may not be used as leverage, although they may be used to further the project. Loan funds from the Affordable Financing of Public Infrastructure program will be considered as eligible leverage.
6. The use of in-kind services as leverage is eligible. Applicants must identify the specific tasks/services that will be performed and/ or provided. Each task/service must be quantified by outlining the number of personnel assigned to the task and current payroll status; number of hours; and the hourly rate. Additionally, the qualifications of each individual to perform the assigned task/service, e.g., construction inspection, must be provided. **If in-kind services are being utilized, a local council resolution must be included in the application.**

7. Local governments may not assess any fees against property "occupied" by eligible low-to-moderate income persons. The most common type of assessment is a TAP-ON FEE, which is a one-time charge made as a condition of access to an improvement -- normally a sanitary sewage collection or water distribution system.
8. If the project includes a new service area, such as water and sewer, residential structures which are "occupied" by eligible low-to-moderate income persons must be hooked up. A HOOK-UP is a privately-owned and maintained line on privately-owned property between a service lead/connection and a structure. CDBG "Midwest" Program funds may be used to fund the cost (reasonable costs) of the hook-ups. NOTE: Hook-ups are considered a DIRECT BENEFIT activity and, therefore, the grantee MUST document the income eligibility of each household receiving this assistance.
9. At the time of grant award, the grantee will initiate the required early warning contact with the following state agencies in accordance with federal NEPA requirements: Illinois Environmental Protection Agency; Illinois Department of Agriculture; Illinois Department of Natural Resources; and, the Illinois Historic Preservation Agency. For applications submitted under the Set-aside Public Infrastructure and Economic Development Components, the early warning process should be initiated by the applicant at the time of application.

Project Review forms for the IDOA, IEPA, IHPA and IDNR are included in the "CDAP Grants Management Handbook" Appendix 2-1-M. These forms along with a map and other pertinent project information should be forwarded to the appropriate agency for review.

10. 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. Each applicant must submit a copy of a standard 7.5' U.S. Geological Survey Quad topographic map for the site, clearly indicating the proposed site, including the township and the section. This information can be obtained from the county clerk's office, most banks, farm bureau offices, and real estate firms.
11. A FEMA issued Floodplain map must be included in the application. You can obtain this map by calling FEMA at 1(800) 358-9616 or by using the website <http://msc.fema.gov>.

### **INITIAL GRANTEE RESPONSIBILITY**

Successful applicants will receive a separate grant award document, with a contract period of twenty-four months, specifying terms and conditions of the grant. The Department reserves the right to specify special grant conditions and terms of the grant agreement. The grant award document will include the following:

- ◆ Scope of Work;

- ◆ Special Grant Conditions, e.g., environmental, leverage, etc.;
- ◆ Grant Budget; and
- ◆ Program Assurances and Certifications.

In general, grantees will be expected to sign and return the grant award document within 30 days from the date of the letter transmitting the grant award document to the grantee. Grantees are expected to meet all special grant conditions within 90 days of the grant award execution date.

## **STATE AND FEDERAL COMPLIANCE REQUIREMENTS**

Each applicant must agree to comply with all applicable federal and state requirements. 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) establishes procedures for protecting the environment. In order to use the CDBG "Midwest" Program 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.). Applicants may conduct environmental reviews during the application phase. Costs associated with the application phase review are reimbursable by the Department for those applicants that are awarded a CDBG "Midwest" Program grant.
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).
3. The Illinois Endangered Species Protection Act and the Illinois Natural Area Preservation Act 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 for all non-exempt proposed projects.
4. The Davis-Bacon Prevailing Wage Act requires the payment of prevailing wages for all construction funded in whole or in part with federal funds, including funds passed through to private firms. If your project involves construction and/or equipment installation, you should contact the Department so a determination can be made concerning the applicability of federal labor standards.
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 "Midwest" Program grantees administer their project in a manner that affirmatively furthers equal opportunity and fair housing. All CDBG "Midwest" Program grantees will be required to undertake specific activities to further fair housing. CDBG "Midwest" Program 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.

## **DOCUMENTING LMI BENEFIT**

The first step of the LMI documentation process is to identify the boundaries of the area that will benefit from the project. The area that will benefit from the project activities is the "universe" that will be used to determine whether at least 51.0 percent of the population is low-to-moderate income. For example, a water tower project or sewage treatment plant project would likely have a community-wide benefit. In comparison, extension of water or sewer lines would principally benefit households in a target area. All homes in the project area should be surveyed.

Utilization of 2000 U.S. Census Data -- Census data may be used to determine LMI eligibility for projects that benefit an entire community, a specific township or precinct, census tract or an entire county. Census data must be obtained from the Department through CDAP program staff, DCEO, 620 East Adams Street, Mail Code: CIPS-3, Springfield, IL 62701, telephone: 217/785-6142, TDD: 800/785-6055.

The standardized income survey form (page 33 of this application guidebook) required by the Department includes all essential questions needed for the CDBG "Midwest" Program application. This standardized format is to be used when submitting an income survey unless prior DCEO approval is received. Surveys may be conducted door-to-door or by mail. The Department will not approve the use of a telephone survey.

The number and percentage of low-to-moderate income individuals derived from the local survey must be determined by family size, i.e., number of persons in the household. The Housing and Urban Development (HUD) 2009 Section 8 Income Guidelines which can be found at (<http://www.huduser.org/datasets/il.html>) must be used to determine low-to-moderate income status by family size. These figures are different for each county in the state. Once the survey has been completed and tabulated, enter the data as required on the "Analysis of Amount of Funds Used to Benefit Low-to-Moderate Income Persons" form. Maintain the survey forms on file. To ensure privacy, the cover sheets showing address may be separated from the interview sheets but kept in groups by area for documentation. It is important to maintain the documentation in order to verify the survey results. "Spoiled Surveys" should not be included in your survey results. The Department will consider a survey to be "spoiled" under the following conditions: (1) answers that corrected or removed with "white-out;" correction fluid or tape, (2) answers that are crossed-through; (3) surveys that are not completed with one writing instrument consistently throughout (i.e., blue ink, pencil, etc.).

- ◆ Conducting a Community/Project Area-Wide Income Survey -- In order to conduct an eligible Community/Project Area-Wide Income Survey, the local government must attempt to survey 100 percent of the households and must receive at least a 75 percent response rate of usable surveys. Incomplete or incorrectly completed surveys are not considered usable.

Use the worksheets (pages 29 – 31) of this application guidebook) to tabulate survey results.

- ◆ Conducting a Random Sample Income Survey -- With the prior written approval of the Department, applicants may utilize the results of a random sample income survey. Requests for approval to conduct a random sample survey should be made in writing and should include the number of households in the project area and the proposed methodology (i.e., every other household, every fourth household, etc.) for conducting the survey. The sample sizes in the following table are the minimum number of completed, usable surveys the community must document:

<u>Number of Households in the Universe</u>	<u>Sample Size</u>
239 - 308.....	175
309 - 398.....	200
399 - 650.....	250
651-1200.....	300
1201-2700.....	350
2701 or more.....	400

Due to the nature of random sampling and the response rate required, for projects benefiting less than 239 households, a door-to-door survey of the entire community/project area is required.

The random sample survey must include proportionate representation of households throughout the area of benefit.

Because the typical rate of completed surveys by mail is between 25 and 50 percent and door-to-door is between 76 and 90 percent, over-sampling is recommended in order to receive the minimum number of completed usable surveys.

One method of selection is to begin at one location in the universe and systematically proceed from that point. In a 500 household universe, for example, requiring 250 completed surveys, every second household could be interviewed to ensure representative results. The interviewers could begin at the starting location and proceed systematically through the project area, interviewing every other household. Any household selected by this procedure at which an interview could not be conducted could be replaced by the next household, which would have been skipped. If a mailing list is used to determine those households to be surveyed, the mailing list must coincide with the addresses on the surveys and the map.

Use the worksheets (pages 29 – 31 of this application guidebook) to tabulate survey results.

## **SUBMISSION INFORMATION**

All applicants must complete the application package and submit it to:

**Illinois Department of Commerce and Economic Opportunity  
Attention: Office of Community Development  
CDBG "Midwest" Program Application  
620 East Adams Street, Mail Code: CIPS-3  
Springfield, Illinois 62701**

- ◆ **Original and two copies of the application.** *Please clearly label the original.*
- ◆ **147C Letter** (include in the application this letter **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 copy of this certification letter on file, one must be requested from the **IRS Entity Unit by calling 1-800-829-0115**. Only the applicant is authorized to request a copy of this letter.

**If you have any questions concerning the application process, please call DCEO at 217/785-6142, TDD 800/785-6055.**

## **APPLICATION FORMS**

*Note: Forms generated by the applicant must contain all the information requested on the DCEO forms. Incomplete forms will not be accepted.*

## Letter of Transmittal

(Date)

\_\_\_\_\_  
Director  
Illinois Department of Commerce and Economic Opportunity  
620 East Adams Street  
Springfield, Illinois 62701

**Re: CDBG "Midwest" Program Application**

Dear Director:

The (name of local government) is submitting an application for a Disaster Relief grant under the Community Development Block Grant (CDBG) - "Midwest" Disaster Recovery Program to support our (describe housing, infrastructure activity) \_\_\_\_\_ project. This grant request is in the amount of \$\_\_\_\_\_ to be used to \_\_\_\_\_ ( describe the use of funds) \_\_\_\_\_ . The total project cost is \$\_\_\_\_\_.

The percentage of low-to-moderate income individuals supported by this project will be \_\_\_\_\_%. The project will also address the community's urgent need to mitigate disaster resulting from flooding and storms that occurred in 2008. The grant will be leveraged by \$\_\_\_\_\_ in \_\_\_\_\_ (list any additional sources of funds) \_\_\_\_\_.

Very truly yours,

(Signature of Chief Elected Official)  
(Or Designee)

## CDBG "MIDWEST" PROGRAM SUBMISSION CHECKLIST

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

\_\_\_\_ One Original and two Copies of the Application (*indicate the "original" on the cover*)

### PROJECT INFORMATION

### PAGE NUMBER

____ Letter of Transmittal from Chief Elected Official ( <i>see DCEO sample letter</i> )	_____
____ Completed Submission Checklist and TOC ( <i>this sheet</i> )	_____
____ CDBG "Midwest" Applicant Project Information Sheet (3pp.)	_____
____ Project Summary (See "project summary" instruction page)	_____
____ "National Objective" Designation Sheet	_____
____ Project Maps (See "project maps" instruction page):	
____ Project location map	_____
____ FEMA-issued floodplain map	_____
____ Income survey map	_____
____ U.S. Geological Survey Quad topographic map	_____
____ Project Readiness Summary Sheet	_____
____ Project Budget Sheet	_____
____ Engineer's cost estimates ( <i>not a DCEO form</i> )	_____
____ Administrative Costs (Budget detail) Sheet	_____
____ CDBG "Midwest" P/I Financial Checklist, ( <i>For Water-Sewer Projects</i> )	_____
<b><u>"LMI", "Urgent Need" and/ or Slum/ Blight National Objective must be supported:</u></b>	
____ Analysis of Low-to-Moderate Benefit Form	_____
____ Low-to-Moderate Income Survey Summary, <i>if "LMI" is applicable</i>	_____
____ Income Survey Worksheets and Income Survey approval letter, <i>if "LMI" is applicable</i>	_____
____ Income Survey Map, <i>if "LMI" is applicable</i>	_____
____ DCEO Approval and Request to Conduct Random Sample Survey, <i>if "LMI" is applicable</i>	_____
____ Minority Benefit Determination Sheet, <i>Required</i>	_____
____ Minority Benefit/Affirmative Housing Statement Sheet, <i>Required</i>	_____
____ Supporting documentation of threat to health/ safety, <i>if "Urgent Need" is applicable</i>	_____
<i>Indicate if under separate cover _____</i>	
____ Council resolution supporting elimination of "slum/blight", <i>if "Slum/Blight" is applicable</i>	_____

### PROJECT SUPPORT (CERTIFICATIONS, RESOLUTIONS, ETC.)

____ Council Resolution of Support, (or Resolution of Support <i>and</i> Commitment of Funds)	_____
____ Council Resolution Committing Local Funds, <i>if applicable</i>	_____
____ Local Government Certifications	_____
____ Applicant/Grantee/Recipient Disclosure Certification ( <i>Instructions and Form</i> )	_____
____ Intergovernmental Cooperation Agreement, <i>if applicable</i>	_____
____ Firm letters of commitment from other leveraging sources, <i>if applicable</i>	_____
____ Copy of IEPA Construction Permit(s)	_____
____ IRS- 147C Letter (Provided by the IRS, <i>not a DCEO form</i> )	_____

**CDBG "MIDWEST" PROGRAM APPLICANT PROJECT INFORMATION**

TYPE OF CDBG "MIDWEST" PROGRAM FUNDING REQUESTED:       HOUSING  PUBLIC INFRASTRUCTURE

**I. GENERAL INFORMATION**

(Information in this section applies only to the governmental entity. DO NOT include the name/address of the administrator.)

APPLICANT TYPE:     City     County     Village     Town     Township

APPLICANT NAME (Entity): \_\_\_\_\_ POPULATION (from most recent U.S. Census)

\_\_\_\_\_

CHIEF ELECTED OFFICIAL: \_\_\_\_\_ TITLE: \_\_\_\_\_

\_\_\_\_\_

BUSINESS ADDRESS:

Street Address \_\_\_\_\_ P.O. Box \_\_\_\_\_  
(Required) (Only if no street address)

City \_\_\_\_\_ State \_\_\_\_\_ Zip Code \_\_\_\_\_ E-Mail \_\_\_\_\_  
(include + 4) (required)

EXPIRATION DATE OF CURRENT TERM: \_\_\_\_\_

DAYTIME PHONE: (\_\_\_\_\_) \_\_\_\_\_ HOME PHONE: (\_\_\_\_\_) \_\_\_\_\_  
(Telephone Numbers must be given in order to reach the official for award announcement purposes.)

APPLICANT FEDERAL EMPLOYER IDENTIFICATION NUMBER: \_\_\_\_\_  
(required)

**II. GEOGRAPHICAL PROJECT INFORMATION**

**This information is required for the project benefit area, not necessarily the applicant.**

COUNTY: \_\_\_\_\_ TOWNSHIP (OR PRECINCT NAME/NUMBER): \_\_\_\_\_

CENSUS TRACT(S): \_\_\_\_\_ ZIP CODE FOR PROJECT BENEFIT AREA: \_\_\_\_\_

STATE SENATE DISTRICT(S): \_\_\_\_\_ STATE HOUSE DISTRICT(S): \_\_\_\_\_

U.S. CONGRESSIONAL DISTRICT(S): \_\_\_\_\_

**III. PROJECT INFORMATION**

AMOUNT OF CDBG "MIDWEST" FUNDING REQUESTED      \$ \_\_\_\_\_ (Whole Dollars ONLY)

TOTAL AMOUNT OF LEVERAGE      \$ \_\_\_\_\_

TOTAL COST OF PROJECT      \$ \_\_\_\_\_

LEVERAGE SOURCE:       FEMA Disaster Recovery Funding  
                                   LOCAL (see local council resolution)  
                                   USDA Rural Development  
                                   IEPA                    IHDA  
                                   BANK                  PRIVATE  
                                   IRBB                  OTHER \_\_\_\_\_

PROJECT DESCRIPTION: \_\_\_\_\_

\_\_\_\_\_

NAME OF THE ENTITY THIS APPLICATION IS IN SUPPORT OF: \_\_\_\_\_

**IV. PROJECT BENEFIT INFORMATION**

Provide the following information for Public Infrastructure, Rural Water Set-Aside, and Public Infrastructure Set-Aside projects:

TOTAL NUMBER OF PERSONS SERVED	TOTAL NUMBER OF LMI PERSONS SERVED	<u>PERCENT BENEFIT</u> TO LMI PERSONS
_____	_____	_____

Number of persons by each of the ethnic grouping listed, benefiting from the project.

Ethnic Category	Total Persons	# Also Hispanic
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		

Number of female headed households: \_\_\_\_\_

**V. GRANT APPLICATION WRITER**

CONTACT PERSON: _____	TITLE: _____
-----------------------	--------------

ADDRESS AND PHONE NUMBER:

Legal Name of Agency \_\_\_\_\_

Street Address _____ (Required)	P.O. Box _____ (Only if no street address)
------------------------------------	---

City _____	State _____	Zip Code _____	E-Mail _____
		(Include + 4)	(Required)

BUSINESS PHONE: (_____) _____	FAX PHONE: (_____) _____
-------------------------------	--------------------------



**VI. GRANT ADMINISTRATOR (or CITY ADMINISTRATOR)**

(If not using an administrative agency, please complete for Local Government Contact.)

AGENCY TYPE:  Private Firm  Regional Planning Commission  Government Agency  Applicant

AGENCY CONTACT PERSON: \_\_\_\_\_ TITLE: \_\_\_\_\_

**AGENCY ADDRESS AND PHONE NUMBER:**

Legal Name of Agency \_\_\_\_\_

Street Address \_\_\_\_\_ P.O. Box \_\_\_\_\_  
(Required) (Only if no street address)

City \_\_\_\_\_ State \_\_\_\_\_ Zip Code \_\_\_\_\_ E-Mail \_\_\_\_\_  
(Include + 4) (Required)

BUSINESS PHONE: (\_\_\_\_\_) \_\_\_\_\_ FAX PHONE: (\_\_\_\_\_) \_\_\_\_\_

**ADMINISTRATIVE AGENCY FEDERAL EMPLOYER IDENTIFICATION NUMBER:** \_\_\_\_\_  
(Required)

**VII. PROJECT ENGINEER**

NAME: \_\_\_\_\_ TITLE: \_\_\_\_\_

Legal Name of Agency \_\_\_\_\_

Street Address \_\_\_\_\_ P.O. Box \_\_\_\_\_  
(required) (Only if no street address)

City \_\_\_\_\_ State \_\_\_\_\_ Zip Code \_\_\_\_\_ E-Mail \_\_\_\_\_  
(Include + 4) (Required)

BUSINESS PHONE: (\_\_\_\_\_) \_\_\_\_\_ FAX PHONE: (\_\_\_\_\_) \_\_\_\_\_

**PROJECT ENGINEER FEDERAL EMPLOYER IDENTIFICATION NUMBER:** \_\_\_\_\_  
(Required)

GRANTEE CERTIFICATE: To the best of my knowledge and belief, the information and data provided are true and correct. I realize that regardless of the elections made, we the grantee, are responsible to ensure compliance with all provisions of the grant agreement and to respond to official correspondence/notifications as required within allowable times. Further, I understand that the submission of changes to the information certified above is a grantee responsibility and that DCEO will use information from the latest certification on file based on the date of signature. I have full signature authority to sign on behalf of this grantee.

\_\_\_\_\_  
Signature - Chief Elected Official

\_\_\_\_\_  
Date

This state agency is requesting disclosure of information that is necessary to accomplish the statutory purpose as outlined under Ill. Comp. Statutes, 20 ILCS 605/46.1. Disclosure of this information is VOLUNTARY. No penalties attach for failure to respond. This form has been approved by the State Forms Management Center.

## **PROJECT SUMMARY**

Give a detailed description of the damage caused by the disaster, and a detailed description of the proposed project and how it impacts the recovery effort of the community.

## NATIONAL OBJECTIVE DESIGNATION

Check one of the National Objectives below: Provide documentation to support the objective

Benefit to Low-Moderate  
Income Persons

Must be verified by U. S. Census or by Income Survey

Prevention or Elimination of  
Slums or Blight

Must be designated by local government resolution

Urgent Need

Provide proof of threat to health, safety and welfare

## PROJECT MAPS

1. A **project location map** must be included in the application. It is expected to be sufficiently detailed to show the following information: 1) specific boundaries of the target area; 2) all integral components of the system being improved or constructed, including water tower, well, pump stations, existing water/sewer mains, proposed water/sewer mains, houses, etc.; 4) railroads, highways, interstates, towns/cities/villages (rural projects), county lines, and corporate limits.  
The project map must be suitable for reproduction and shall not exceed the page size of 11 x 17 inches. (Applicants may also submit blueprints or larger project maps as a supplement to their submission, if they deem necessary in order to show project details sufficiently.)
2. A **FEMA-issued floodplain map** must be included in the application. You can obtain this map by calling FEMA at 1(800) 358-9616 or by using the website <http://msc.fema.gov>.
3. An **income survey map** (If applicant is NOT using census data) must be included in the application. The survey map should detail all households in the project area indicating “higher” income, “lower” income, vacant, no response or other.
4. Each applicant must submit a copy of a standard 7.5' **U.S. Geological Survey Quad topographic map** for the site, clearly indicating the proposed site, including the township and the section. This information can be obtained from the county clerk's office, most banks, farm bureau offices, and real estate firms.

## PROJECT READINESS SUMMARY

Each application must demonstrate that the proposed project is appropriate and achievable and that all actions have been completed to ensure timely implementation of the project. Also address any impediments to timely completion of the project.

Is this project approved for FEMA funding      Yes        No      
*Proof of FEMA funding must be included*

Has other funding been approved      Yes        No      
Describe funding \_\_\_\_\_

Has the project already been completed      Yes        No      
Percentage completed \_\_\_\_\_

Has EPA construction permit been obtained      Yes        No        NA   

Any easements required      Yes        No      
Explain status of easements \_\_\_\_\_

Any property acquisition required      Yes        No      
Explain status \_\_\_\_\_

Any additional comments:

## PROJECT BUDGET BREAKDOWN

Identify all activities included within the project and the amount and source of financing. If the proposed project involves extending water-sewer service to a new area, the low-to-moderate income household hook-ups should be detailed as a separate line item. **If applicable, tap-on fees should be detailed as a separate line item as well.** For projects involving alterations of streets, roads or highways which have pedestrian walkways, grantees must factor in the costs of adding and/or replacing curb ramps at all intersections having curbs or other barriers to entry from a street level or pedestrian walkway.

PROJECT ACTIVITY	ACTIVITY COST	CDBG "MIDWEST" FUNDING REQUEST	LEVERAGE- FUNDING	LEVERAGE SOURCE
	\$	\$	\$	
	\$	\$	\$	
	\$	\$	\$	
	\$	\$	\$	
	\$	\$	\$	
	\$	\$	\$	
	\$	\$	\$	
	\$	\$	\$	
Construction Sub-total	\$	\$	\$	
LMI Household Hook-Ups (For Water-Sewer extension projects)	\$	\$	\$	
LMI Tap-Fees (For Water-Sewer extension projects)	\$	\$	\$	
Design Engineering <i>(If Applicable)</i>	\$	\$	\$	
Construction Observation	\$	\$	\$	
Non-Construction Sub-total	\$	\$	\$	
Administration	\$	\$	\$	
TOTALS	\$	\$	\$	
TOTAL PROJECT COST: \$ _____				

**Attach an itemized construction cost estimate on next page**

**ADMINISTRATIVE COSTS  
(FROM CDBG-MIDWEST FUNDING)**

I. PERSONNEL COSTS				
POSITION	COMPENSATION	% OF CDBG-Midwest TIME	NUMBER OF MONTHS	CDBG-Midwest TOTAL
II. GENERAL MANAGEMENT COSTS				
A. COMMUNICATIONS				
PHONE				
POSTAGE				
B. SUPPLIES/MATERIALS				
C. COPYING/PRINTING				
D. EQUIPMENT (LIST)				
				SUB-TOTAL
E. TRAVEL				
III. CONTRACTUAL COST (IDENTIFY)				
				SUB-TOTAL
IV. OTHER (IDENTIFY IN DETAIL)				
				% OF CDBG-Midwest REQUEST _____
<b>TOTAL*</b>				

\*This amount must not exceed the CDBG-Midwest Administration limits listed on page 8.

**CDBG "MIDWEST" FINANCIAL CHECKLIST**  
**For Public Infrastructure (Water-Sewer) Projects**

Please provide the following information relative to the project for which CDBG "Midwest" funds are being requested (if Public Infrastructure project)

- a. Total Project Cost: \$ \_\_\_\_\_
- b. CDBG "Midwest" Grant Requested: \$ \_\_\_\_\_
- c. Total # of Persons Served: \$ \_\_\_\_\_
- d. Monthly charge for 5,000 gallons of water and 5,000 gallons of sewage treatment:  
Water Charge: \$ \_\_\_\_\_/5,000 gallons  
Sewer Charge: \$ \_\_\_\_\_/5,000 gallons  
If actual rates are not available, please provide PROJECTED rates.  
(If water/sewer billed in cubic feet, provide the cost based upon 669 cubic feet.)  
Provide dates of most recent rate changes:  
Most recent water rate change: \_\_\_\_/\_\_\_\_/\_\_\_\_  
Most recent sewer rate change: \_\_\_\_/\_\_\_\_/\_\_\_\_
- e. Equalized assessed valuation for 2007: \$ \_\_\_\_\_
- f. Municipal government tax rate in 2007: \_\_\_\_\_ (collectible in 2008)
- g. Aggregate tax rate for all local taxing bodies (e.g., county, township, school district) in 2007: [Add total tax rate of each unit of local government levying property taxes within the project area (county, township, etc.)]  
\_\_\_\_\_ (collectible in 2008)
- h. Population according to 2000 Census Population: \_\_\_\_\_
- i. Current number of Water and Sewer Accounts:  
Total Water Accounts: \_\_\_\_\_ Total Sewer Accounts: \_\_\_\_\_  
Residential Water Accounts: \_\_\_\_\_ Residential Sewer Accounts: \_\_\_\_\_  
(Provide both figures even if your application applies to only one).  
For new systems:  
Estimated amount of new residential water accounts: \_\_\_\_\_  
Estimated amount of new residential sewer account: \_\_\_\_\_  
Number of Customers outside Corporate limits: \_\_\_\_\_  
Number of Residential Customers outside Corporate limits: \_\_\_\_\_



**ANALYSIS OF BENEFIT TO LOW-TO-MODERATE INCOME ('LMI')  
PERSONS**

Project Activity*	Total # of Persons Activity Will Serve	# of Low-to-Moderate Income Persons Activity Will Serve	% of Low-to-Moderate Income Persons Activity Will Serve	Amount of CDBG "Midwest" Funds Requested for the Activity	Amount of CDBG "Midwest" Funds to benefit Low-to-Moderate Income Persons

**Methodology Used**

Please check the appropriate box below.

1. [    ] 2000 U. S. Census Data: Applicants must request this information from DCEO prior to application preparation.
2. [    ] All (100%) of Community/Target Area Survey: The entire (100%) population of the community or target area must be surveyed with a minimum 75% usable survey response rate.
3. [    ] Random Sample Survey: A random sample of the community or target area must be surveyed with a minimum 75% usable survey response rate. (Applicants must receive prior written approval from DCEO to conduct a random sample survey. A copy of the letter of approval from DCEO should be included in the application.)

\*Each major activity should be detailed separately when the number of persons benefiting varies from activity to activity. For example, water tower construction and water main replacement in a targeted area should be detailed as two separate activities, because they benefit differing numbers of persons. Low-to-moderate income hook-ups would be another example of an activity that should be detailed separately.

## LOW-TO-MODERATE INCOME SURVEY

### SUMMARY

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

Applicants must request prior DCEO approval to reuse an income survey. Attach a copy of DCEO's approval letter and recalculated worksheet to the application.

Applicants must obtain written DCEO approval to conduct a random sample survey prior to conducting the survey. Attach a copy of DCEO's approval letter to the application.

1. Date(s) Survey Data Collected: \_\_\_\_\_
2. Survey Type (1 of the 4 types-- either random survey type requires DCEO's prior approval):

\_\_\_\_\_ *All (100%) of Community* **OR** \_\_\_\_\_ *Random sample of Community*

\_\_\_\_\_ *All (100%) of Target Area* **OR** \_\_\_\_\_ *Random Sample of Target Area*

3. Are the completed survey questionnaires on file with the applicant?

\_\_\_\_\_ Yes                      \_\_\_\_\_ No

If "No", please explain: \_\_\_\_\_

\_\_\_\_\_

4. If a random sample survey was conducted, respondents must be identified (e.g., address, block, census tract, or other pre-identified method) for documentation. What was the pre-identified method? \_\_\_\_\_

\_\_\_\_\_

5. Did you follow the methodology proposed in your request to DCEO? \_\_\_\_\_

If no, please explain any deviations: \_\_\_\_\_

\_\_\_\_\_

6. Indicate who conducted the Survey: \_\_\_\_\_

\_\_\_\_\_

Attach a copy of your letter requesting approval to conduct a random sample survey and the Department's response.

Applicant: \_\_\_\_\_

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

Survey Type:     All (100%) of Community     Random Sample of Community  
                   All (100%) of Target Area     Random Sample of Target Area

## INCOME SURVEY

### WORKSHEET TO CALCULATE LOW-TO-MODERATE INCOME (LMI) PERCENTAGE USING SECTION 8 INCOME GUIDELINES

This form is to be used for all income surveys.

**FOR  
DCEO  
USE  
ONLY**

#### PART A. INFORMATION CONTAINED IN YOUR SURVEY

1. Enter the established total number of households in the target area.    1. \_\_\_\_\_
2. Enter the total number of households interviewed (**valid responses**).    2. \_\_\_\_\_
3. Enter the total number of low-to-moderate income households interviewed.    3. \_\_\_\_\_
4. Enter the total number of persons living in the low-to-moderate income households interviewed.    4. \_\_\_\_\_
5. Enter the total number of households interviewed in which the income was above the low-to-moderate income level.    5. \_\_\_\_\_
6. Enter the total number of persons living in the households in which the income was above the low-to-moderate income level.    6. \_\_\_\_\_

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

7. If a Community-wide/target-area wide survey was conducted, divide line 2 by line 1. (This is the survey response rate. It should equal or exceed 75.0 percent.)    7. \_\_\_\_\_
8. Divide Line 4 by Line 3. (This is the average size of the LMI households you interviewed.)    8. \_\_\_\_\_
9. Divide Line 6 by Line 5. (This is the average size of the non-LMI households you interviewed.)    9. \_\_\_\_\_
10. Divide Line 3 by Line 2. (This is the proportion of households interviewed that have low-to-moderate incomes.)    10. \_\_\_\_\_
11. Divide Line 5 by Line 2. (This is the proportion of households interviewed that do not have low-to-moderate incomes.)    11. \_\_\_\_\_
12. Multiply Line 1 by Line 10 (This is the estimate of the total number of LMI households in your target area.)    12. \_\_\_\_\_

- |   |           |
|---|-----------|
| 13. Multiple Line 1 by Line 11. (This is the estimate of the total number of non-LMI households in your target area.)   | 13. _____ |
| 14. Multiply Line 8 by Line 12. (This is the estimate of the total number of LMI persons in your target area.)  | 14. _____ |
| 15. Multiply Line 9 by Line 13. (This is the estimate of the total number of non-LMI persons in your target area.)  | 15. _____ |
| 16. Add Line 14 and Line 15. (This is the estimate of the total number of persons in your target area.)   | 16. _____ |
| 17. Divide Line 14 by Line 16, and multiply the resulting decimal by 100. (This is percentage of persons in your target area who have low-to-moderate incomes). | 17. _____ |

**PART C. INSTRUCTIONS AND EXPLANATIONS**

1. Round all numbers to two decimal places (X.XX)
2. The number that goes on Line 1 is something you needed to know before beginning your survey. In the course of your survey, you may have refined your estimate. On Line 1, you should enter your current best estimate of the total number of households in the area.
3. For the number of households interviewed, you actually want the total number of interviews with complete and accurate information on the income and size of households questioned.
4. When you are completing Part A, be sure that the answers are logical. For example, the number on Line 4 cannot be smaller than the number on Line 3 (because every household must have at least one person.) Similarly, the number on Line 6 cannot be less than the number on Line 5. Also note that the number on Line 3 plus the number on Line 5 should equal the number on Line 2 -- every household is either low-to-moderate or it is not.
5. Some examples for Part B. For purposes of illustration, assume that you estimated that the target area contained 650 households (Line 1). Assume that you conducted a random sample survey and interviewed 250 households (Line 2), of whom 130 had low-to-moderate incomes (Line 3). These low-to-moderate income households contained 450 persons (Line 4). The 120 households with incomes over the low-to-moderate incomes (Line 5) contained 400 persons (Line 6.). You would complete Part B as follows:

*Line 8:* If the applicant interviewed 130 households containing a total of 450 low-to-moderate persons, the number on Line 8 would be: 3.46 ( $450/130 = 3.46$ ).

- Line 9      If the households you interviewed contained 400 non-low-to-moderate persons in 120 households, the number on Line 9 would be about 3.33 (400/120).
- Line 10     If you interviewed a total of 250 households, 130 of which had low-to-moderate incomes, the number on Line 10 would be about .52 (130/250)
- Line 11     If 120 of the 250 households interviewed did not have low-to-moderate incomes, the number on line 11 would be about .48 (120/250)
- Line 12     If your target area contained an estimated 650 households, and you interviewed 250, of which 130 had low-to-moderate incomes, the number on Line 12 would be about 338 (650 X .52).
- Line 13     Continuing with the example, Line 13 would be about 312 (650 X .48).
- Line 14     3.46 persons per LMI household times 338 LMI households -- Line 14 would be about 1,169.
- Line 15     3.33 persons per non-LMI household times 312 non-LMI households -- Line 15 would be about 1,039.
- Line 16     Total LMI persons (1,169) plus total non-LMI persons (1,039) -- Line 16 would be about 2,208 estimated total persons.
- Line 17     1,169 LMI persons divided by 2,208 total persons will yield an LMI rate of approximately .5294 or 53%. Multiplied by 100, this gives an estimate that 52.94 percent of the residents have low-to-moderate incomes.

NOTE:      If the project benefit area includes a nursing home, for purposes of the income survey, a letter from the nursing home administrator may be obtained as documentation in lieu of surveying the nursing home residents individually. The letter must verify that the facility meets the HUD definition of a nursing home by having shared kitchen and dining facilities and must indicate the number of residents. All of the residents of nursing homes are considered by HUD to be low income and would, therefore, be included in the survey results beginning on Line 14. Please make a notation on your worksheet that this is being done. Retirement apartments, where residents have their own kitchens and dining areas, are not "nursing homes" and should be surveyed individually.

# **INCOME SURVEY COVER SHEET**

**State of Illinois**  
Community Development Block Grant (CDBG)  
"Midwest" Disaster Recovery Program

## **COMMUNITY DEVELOPMENT SURVEY**

Name of Community \_\_\_\_\_

Date \_\_\_\_\_

Interviewer's Name \_\_\_\_\_

Respondent's Street Address (Required):

\_\_\_\_\_

Structure Number

\_\_\_\_\_

Street Name

Introduction: Hello, I'm \_\_\_\_\_ and I'm conducting a survey for the City/Village of \_\_\_\_\_. We're collecting information needed to complete an application for a community development grant. What you say will be kept strictly confidential in accordance with the Privacy Act of 1974 (Public Law 93-579). Your answers are very important to our community improvement effort.

**CDBG "MIDWEST" DISASTER RECOVERY PROGRAM INCOME SURVEY**

Community: \_\_\_\_\_ Address: \_\_\_\_\_  
 (Must indicate address for survey to be valid, No PO Box)

**MINORITY BENEFIT DETERMINATION**

1. How many people are living in the house? \_\_\_\_\_
2. To help determine the ethnic population of your locality or targeted area, please indicate the number of persons in the household in each appropriate category:

Ethnic Category	Total Persons	# Also Hispanic
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		

3. ( ) Check here if female-headed household
4. How many people are over 62 years old? \_\_\_\_\_
5. How many persons with physical or developmental disabilities are there in your household: \_\_\_\_\_
6. Do you own your own home? \_\_\_\_\_ Or rent? \_\_\_\_\_
7. Based on your family size, check below if your gross annual income is higher or lower than the income eligibility figures for the County listed below. You must check either **A** or **B** or **C** or **D**

**OUR ANNUAL INCOME IS:**

- A** ( ) **LOWER** than 30% of the County income limit figures for our family size
- B** ( ) **LOWER** than 50% but **HIGHER** than 30% of the County income limit figures for our family size
- C** ( ) **LOWER** than 80% but **HIGHER** than 50% of the County income limit figures for our family size
- D** ( ) **HIGHER** than 80% of the County income limit figures for our family size

Insert County Name \_\_\_\_\_

Number of Persons in Family /Household	Annual Income Limit 30% of median	Annual Income Limit 50% of median	Annual Income Limit 80% of median
1			
2			
3			
4			
5			
6			
7			
8			

## MINORITY BENEFIT/AFFIRMATIVE HOUSING STATEMENT

a. What is the percentage of the minority group(s) population residing in the community? \_\_\_\_\_ %

What is the percentage of the minority group(s) population residing in the proposed project ("**targeted**") area? \_\_\_\_\_ %

Identify the characteristics of the population of the project (targeted) area by specific ethnic group. This information may be obtained from the most recent Census Data ("Summary of Population and Housing Characteristics CPH 1-15 Table 3") or from the income survey if a survey was conducted. (If survey data is being used, and less than a 100% response rate was received, extrapolated data should be used, rounding fractions to whole numbers)

Ethnic Category	Total Persons	# Also Hispanic
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 (targeted area).**

b. What is the goal for the percentage of CDBG "Midwest" 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.

\_\_\_\_\_

\_\_\_\_\_

d. If funded, the applicant agrees to affirmatively further fair housing by posting Fair Housing Posters and by making HUD Fair Housing Complaint Forms available to the public.

In addition, the Department recommends that the unit of local government pass a fair housing ordinance. Please check one below:

We already have a Fair Housing Ordinance on file. (Indicate Number and Date Passed \_\_\_\_\_)

If funded, we will pass a Fair Housing Ordinance

We do not plan to pass a Fair Housing Ordinance at this time.

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



**CERTIFICATIONS, RESOLUTIONS, OTHER DOCUMENTATION**

**SAMPLE**

**COUNCIL RESOLUTION OF SUPPORT**

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

WHEREAS, the (unit of local government) \_\_\_\_\_ is applying to the State of Illinois for a CDBG "Midwest" Disaster Recovery Program 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)

**SAMPLE**

**COUNCIL RESOLUTION COMMITTING LOCAL FUNDS**

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

WHEREAS, the City Council (County Board) of the City (County) of \_\_\_\_\_, Illinois has taken action to submit an Illinois CDBG "Midwest" Disaster Recovery Program Disaster Recovery application,

WHEREAS, receipt of CDBG "Midwest" grant assistance is essential to allow the City (County) of \_\_\_\_\_ to undertake the project to

\_\_\_\_\_,  
(project description)

WHEREAS, criteria of CDBG "Midwest" are such that financial participation by the grantee is required in conjunction with CDBG "Midwest" funds, and

WHEREAS, the City (County) of \_\_\_\_\_ has certain monies allocated for the above-referenced project with cash on hand, as needed.

NOW, THEREFORE, BE IT RESOLVED THAT the City (County) of \_\_\_\_\_ does hereby commit funds from \_\_\_\_\_ **(account/fund)** \_\_\_\_\_ for use in conjunction with an Illinois CDBG "Midwest" Disaster Recovery Program grant, such funds to equal \_\_\_\_\_% of the estimated total project cost of \$\_\_\_\_\_, or \$\_\_\_\_\_.

PASSED and APPROVED at its regular (special) City Council (County Board) Meeting, held on the \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_. (date required)

\_\_\_\_\_  
Mayor (County Board Chairman)

ATTEST:

\_\_\_\_\_  
City Clerk (County Clerk)

**SAMPLE**

**RESOLUTION OF SUPPORT AND COMMITMENT OF FUNDS**

WHEREAS, the City (County) of \_\_\_\_\_, is applying to the State of Illinois for a CDBG "Midwest" Disaster Recovery Program grant,

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

WHEREAS, criteria of CDBG "Midwest" are such that financial participation by the grantee is required in conjunction with CDBG "Midwest" funds.

NOW, THEREFORE, BE IT RESOLVED as follows:

- 1) That the City (County) will 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.
- 4) That the City (County) of \_\_\_\_\_ does hereby commit funds from \_\_\_\_\_ **(account/fund)** for use in conjunction with an Illinois CDBG "Midwest" Disaster Recovery Program grant, such funds to equal \_\_\_\_\_% of the estimated total project cost of \$\_\_\_\_\_, or \$\_\_\_\_\_.

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

\_\_\_\_\_  
Mayor (County Board Chairman)

ATTEST:

\_\_\_\_\_  
City Clerk (County Clerk)

## LOCAL GOVERNMENT CERTIFICATIONS

On this (date) of (month), (year), the (title and name of the Chief Elected Official) of (name of the local government) hereby certifies to the Department of Commerce and Economic Opportunity in regard to an application and award of funds through the CDBG "Midwest" Disaster Recovery Program:

1. It possesses the legal authority to carry out the program for which it is seeking funding, in accordance with applicable HUD regulations, and no legal actions are underway or being contemplated that would significantly impact the it's capacity to effectively administer the program, and to fulfill the requirements of the CDBG "Midwest" program.
2. 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.
3. 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.
4. 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.
5. 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.
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 "Midwest" 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 request for wage rate determination will be submitted 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 Urban 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. 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. The grant will be conducted and administered in conformity with title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d) and the Fair Housing Act (42 U.S.C. 3601-3619) and implementing regulations.
13. The grant will be conducted and administered in conformity with title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d) and the Fair Housing Act (42 U.S.C. 3601-3619) and implementing regulations.

14. It will minimize displacement of persons and provide for reasonable benefits to any person involuntarily and permanently displaced as a result of activities associated with program funds.
15. It will comply with restrictions on lobbying required by 24 CFR Part 87, together with disclosure forms, if required by that Part.
16. It will comply with the acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended, and implementing regulations at 49 CFR Part 24, except where waivers or alternative requirements are provided for this grant.
17. It will facilitate citizen participation by publishing a statement of proposed activities so that affected citizens have an opportunity to submit comments on the proposed activities. i) The state certifies that it is complying with each of the following criteria:
18. Funds will be used solely for necessary expenses related to disaster relief, long term recovery, and restoration of infrastructure in areas covered by a declaration of major disaster under title IV of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.) as a result of recent natural disasters.
19. It will not attempt to recover any capital costs of public improvements assisted with CDBG "Midwest" disaster recovery grant funds, by assessing any amount against properties owned and occupied by persons of low- and moderate-income, including any fee charged or assessment made as a condition of obtaining access to such public improvements, unless (A) disaster recovery grant funds are used to pay the proportion of such fee or assessment that relates to the capital costs of such public improvements that are financed from revenue sources other than under this title; or (B) for purposes of assessing any amount against properties owned and occupied by persons of moderate income, the grantee certifies to the Secretary that it lacks sufficient CDBG funds (in any form) to comply with the requirements of clause (A).
20. It will prohibit the use of excessive force by law enforcement agencies within its jurisdiction against any individuals engaged in non-violent civil rights demonstrations; and
21. It will enforce applicable state and local laws against physically barring entrance to or exit from a facility or location that is the subject of such nonviolent civil rights demonstrations within its jurisdiction.
22. It will not use CDBG "Midwest" disaster recovery funds 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 Part 55.
23. It will comply with applicable laws.

24. Specify whether any of the project activities/area is in a flood plain. Yes \_\_\_\_ No \_\_\_\_

**(FEMA Floodplain map must be included in application)**

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

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

---

Signature of Chief Elected Official

---

Date

## **APPLICANT/GRANTEE/RECIPIENT DISCLOSURE CERTIFICATION INSTRUCTIONS**

Section 102 of the HUD Reform Act of 1989 contains a number of provisions to ensure greater accountability and integrity in the way the U.S. Department of Housing and Urban Development (HUD) and its grantees make certain types of assistance available. The CDBG "Midwest" Program is one of the HUD programs partially covered by Section 102.

A unit of local government applying for a CDBG "Midwest" grant (regardless of the program component), as well as the recipient of the grant must make certain disclosures. These disclosures are only necessary if the aggregate amount of previously awarded CDBG "Midwest" grants, CDBG "Midwest" grant applications currently pending review, and proposed CDBG "Midwest" grants is in excess of \$200,000 for the current program year. This funding threshold determines the extent of the information which must be disclosed.

### **Disclosure Information Required**

1. Other Government Assistance is defined as any loan, grant, guarantee, subsidy, tax benefit, credit, etc., from the federal government, state or unit of local government which is expected to be made available with respect to the project for which the assistance is sought.
  
2. Interested Parties is defined as follows.
  - a. The name of any developer, contractor, or consultant involved in the application for assistance or in the planning, development or implementation of the project or activity.
  
  - b. The name of any other person who has a financial interest in the project in excess of \$50,000 or 10 percent of the assistance, whichever is less. If the person referred to is an entity, then disclosure must include an identification of each officer, director and stockholder.

A financial interest means any financial involvement in the project or activity including, but not limited to, situations in which an individual or entity has an equity interest in the project or activity, shares in any profit on resale or any distribution of surplus cash or other assets of the project or activity, or receives compensation for any goods or services provided in connection with the project or activity. Residency of an individual in housing for which assistance is being sought is not by itself considered a covered financial interest.

3. Sources and Uses of Funds is defined as the gross amount of funds to be made available for the project from both governmental and non-governmental sources and private capital resulting from tax benefits and the expected uses for those funds.

### **Who Must Complete the Disclosure Certification**

Parts I and II of the Applicant/Grantee/Recipient Disclosure Certification must be completed by every unit of local government applying for CDBG "Midwest" funds and submitted as part of the application package. If the funding threshold of \$200,000 is met, then Parts III through V of the

Disclosure Certification, as they pertain to this particular grant request, must also be completed. It is important that the information be as complete and concise as possible. An **applicant** is defined as any unit of local government applying for CDBG "Midwest" funds. The **grantee** is any unit of local government which has been awarded a grant. The **recipient** is defined as the receiver of the grant funds from the local government and refers to the economic development component only. An example is a city receives a grant to loan to a company for machinery and equipment acquisition. The company is the recipient.

### **Updating the Disclosure Certification**

**During the period in which an application is pending or the period in which the assistance is being provided, the Disclosure Certification must be updated if the following actions occur. Updated reports must be submitted within 30 days of the change requiring the update.**

1. Omitted Information - The application was submitted and the applicant failed to disclose the information as required.
2. Change in Disclosure Threshold - Information subject to disclosure arose after the time for making disclosures, i.e., an interested party who did not previously have a pecuniary interest at the time of application, now meets or exceeds the \$50,000 or 10 percent of assistance threshold.
3. Change to Previously Disclosed Information - Changes must be submitted when any of the following criteria are met:
  - a. Changes in "Other Government Assistance" that exceeds the amount of such assistance that was previously disclosed by \$250,000 or 10 percent of the assistance, whichever is lower;
  - b. Changes in the amount of the pecuniary interest of a person exceeds the amount of the previously disclosed interests by \$50,000 or by 10 percent of such interests, whichever is lower;
  - c. Changes in the source of funds that exceeds the amount of all previously disclosed sources of funds by \$250,000 or 10 percent of those sources, whichever is lower; and
  - d. Changes in the uses of funds that exceeds the amount of all previously disclosed uses of funds by \$250,000 or by 10 percent of those uses, whichever is lower.





Applicant/Grantee/Recipient Disclosure Certification (continued)

<b>PART III. OTHER GOVERNMENT ASSISTANCE</b>			
Federal Department/State/Local			Amount
Agency Name & Address	Program	Type	Requested/Provided
<b>PART IV. INTERESTED PARTIES</b>			
List of all persons with a Reportable Financial Interest		Type of Participation	Financial Interest in Project (\$ and %)
<b>PART V. SOURCES AND USES OF FUNDS</b>			
Source		Use	

**SAMPLE**

**INTERGOVERNMENTAL COOPERATION AGREEMENT**

The \_\_\_\_\_, \_\_\_\_\_ County, Illinois, seeks to support the efforts of the \_\_\_\_\_ to obtain CDBG "Midwest" Disaster Recovery Program funds from the Illinois Department of Commerce and Economic Opportunity for (proposed project) \_\_\_\_\_ located in \_\_\_\_\_.

As the chief executives of our respective local governments, we are signing this agreement to cooperate as much as needed to accomplish these improvements.

The \_\_\_\_\_ is hereby designated as the lead agency for this application and will be the applicant for the funds. The \_\_\_\_\_ will be liable for all program administration functions should the grant be awarded.

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Attest

\_\_\_\_\_

Attest

Date: \_\_\_\_\_

NOTE: This general form (or a suitable variation) is to be used by local government applicants whose proposed project or project area involves more than one jurisdiction. It is a required part of any "on behalf of" or joint application with appropriate modifications as may be required to fit local conditions.

## **ATTACHMENTS**

ATTACHMENT A

**HUD "ENTITLEMENT" COMMUNITIES AND COUNTIES**

(Note- All CDBG "Midwest" Program Funding was allocated at the statewide level to benefit FEMA "1771" Declared Counties and the Communities falling within- See Attachment B)

**Metropolitan Cities**

1. Arlington Heights
2. Aurora
3. Belleville
4. Berwyn
5. Bloomington
6. Bolingbrook
7. Champaign
8. Chicago
9. Chicago Heights
10. Cicero
11. Danville
12. Decatur
13. DeKalb
14. Des Plaines
15. Downers Grove
16. East St. Louis
17. Elgin
18. Evanston
19. Joliet
20. Kankakee
21. Moline
22. Mount Prospect
23. Naperville
24. Normal
25. North Chicago
26. Oak Lawn
27. Oak Park
28. Palatine
29. Pekin
30. Peoria
31. Rantoul
32. Rockford
33. Rock Island
34. Schaumburg
35. Skokie
36. Springfield
37. Urbana
38. Waukegan
39. Wheaton

**Urban Counties**

1. Cook County
2. DuPage County
3. Kane County
4. Lake County
5. Madison County
6. McHenry County
7. St. Clair County
8. Will County

ATTACHMENT B

**FEDERALLY-DECLARED COUNTIES IN ILLINOIS UNDER FEMA-1771**

**Areas in Illinois Eligible for CDBG "Midwest" Program Assistance**

The following counties were declared eligible for federal assistance under the 2008 FEMA 1771 Disaster Declaration, making communities within these counties eligible for CDBG "Midwest" Program assistance:

**Illinois Counties Declared Under FEMA-1771-Declaration**

- |                      |                        |
|----------------------|------------------------|
| 1. Adams County      | 14. Lake County        |
| 2. Calhoun County    | 15. Lawrence County    |
| 3. Clark County      | 16. Madison County     |
| 4. Coles County      | 17. Mercer County      |
| 5. Crawford County   | 18. Monroe County      |
| 6. Cumberland County | 19. Pike County        |
| 7. Douglas County    | 20. Randolph County    |
| 8. Edgar County      | 21. Rock Island County |
| 9. Greene County     | 22. St. Clair County   |
| 10. Hancock County   | 23. Scott County       |
| 11. Henderson County | 24. Whiteside County   |
| 12. Jasper County    | 25. Winnebago County   |
| 13. Jersey County    |                        |

ATTACHMENT C

**Income Guidelines Can Be Found at <http://www.huduser.org/datasets/il.html>**