

# **STATE OF ILLINOIS**

## **Action Plan Amendment No.11**

**September 1, 2011**

**Supplemental CDBG Disaster Recovery 1800 ("Ike") Funding**

**From the Supplemental Appropriations Act**

**Public Law 110-329, 2008**

**Federal Register FR-5337-N-01**

**GOVERNOR PAT QUINN  
STATE OF ILLINOIS**



## ILLINOIS CDBG "IKE" ACTION PLAN AMENDMENT (NO.11)

Through this Community Development Block Grant (CDBG) Disaster Recovery (DR) 1800 (CDBG "Ike") plan amendment, Illinois is providing for greater flexibility in awarding "Ike" funds through the methods outlined below. This request reflects Illinois' commitment to utilize and award "Ike" funding in a manner that best supports the needs of Illinois residents and communities, and that can be assisted with CDBG Disaster "Ike" program funding.

### **11. IKE- Business Stimulus Components- Expanding the Range of Eligible Activities**

Under IKE Plan Amendment No. 11, Illinois is expanding the activities eligible for funding under the IKE-Business Stimulus Program (BSP) component. The program will continue to provide funding assistance (grants and/or loan awards) to support companies that can create or retain significant permanent jobs in IKE-eligible communities. Funding will typically support companies that can also serve as a catalyst for long term economic growth and recovery in an eligible community, through the presence of the company in the community, investments by the company and other external sources, the industry connected with the company's business focus in the community, etc.

However, the activities eligible under the Ike-BSP, are those which provide direct support to companies, per the range of eligible activities provided for under the HCDA 105(a)(14), (15), or (17). These include a range of assistance to private, for-profit entities--105(a)(17), and assistance to private, non-profits--105(a)(14) and 105(a)(15). This amendment will expand the range of activities to include those eligible under 105(a)(2), which HUD stipulates can generally allow for "...public facilities and improvements carried out to support or benefit a private for-profit business..."

This expansion of eligible activities will allow for public infrastructure and facility improvements that can provide incentive to private companies to remain or locate into Ike-eligible parts of the state. The IKE-Business Stimulus Program (BSP) application can be downloaded at DCEO IKE Disaster Recovery website:

[http://www.illinoisbiz.biz/dceo/Bureaus/Community\\_Development/CDBG+Disaster+Recovery+Programs/i ke.htm](http://www.illinoisbiz.biz/dceo/Bureaus/Community_Development/CDBG+Disaster+Recovery+Programs/i ke.htm)

The **previous** parameters for the Ike Business Stimulus Program were as follows:

*"Ike" Business Stimulus Component- Per Ike Plan Amendment No.10.*

1. Allocation for Activity: \$15,000,000<sup>1</sup>.
2. Eligible Applicants:
  - (i) Businesses in communities that fall within an Illinois 2008 FEMA-declared county. (See Exhibit A), or Local communities that are located in an Illinois 2008 FEMA-declared county (Exhibit A), on behalf of local businesses,
  - (ii) Local communities that are located in an Illinois 2008 FEMA-declared county (Exhibit A), on behalf of local businesses, and
  - (iii) Not-for-profit organizations on behalf of one or more Ike-eligible local communities.
3. Threshold Criteria:
  - (i) Business supported suffered physical damage due to the 2008 disasters,
  - (ii) Business supported is currently located or will locate in an Illinois county affected by 2008 disaster (Exhibit A) and is relying in part or whole on CDBG-Ike economic development program funding to remain or relocate into the disaster-affected county,
  - (iii) Business supported is a for-profit business including, but not limited to, a sole proprietorship, partnership, corporation, joint venture, association or cooperative.
4. Individual Award Threshold: \$2,000,000<sup>1</sup>.
5. Eligible Activities: Awards and assistance may be in the form of grants or various CDBG-eligible loan instruments as determined by the Department to support permanent job creation and/ or retention by the company(s) receiving IKE-Business Stimulus Program assistance.<sup>1</sup>
6. Eligibility 105(a)(14),(15),(17).
7. National Objective: Must meet either: 51% low-to-moderate income (LMI ) benefit, urgent need, or the slum/blight national objective.

The **revised** parameters for the newly consolidated IKE- Business Stimulus Program are as follows (updates are underlined):

*Ike-Business Stimulus Component - Per Ike Plan Amendment No.11:*

1. Allocation for Activity: \$15,000,000.
2. Eligible Applicants:
  - (i) Businesses in communities that fall within an Illinois 2008 FEMA-declared county. (See Exhibit A), or Local communities that are located in an Illinois 2008 FEMA-declared county (Exhibit A), on behalf of local businesses,
  - (ii) Local communities that are located in an Illinois 2008 FEMA-declared county (Exhibit A), on behalf of local businesses, and
  - (iii) Not-for-profit organizations on behalf of one or more Ike-eligible local communities.
3. Threshold Criteria:
  - (i) Business supported suffered physical damage due to the 2008 disasters,
  - (ii) Business supported is currently located or will locate in an Illinois county affected by 2008 disaster (Exhibit A) and is relying in part or whole on CDBG-Ike economic development program funding to remain or relocate into the disaster-affected county,

- (iii) Business supported is a for-profit business including, but not limited to, a sole proprietorship, partnership, corporation, joint venture, association or cooperative.
4. Individual Award Threshold: \$2,000,000<sup>1</sup>.
  5. Eligible Activities: Awards and assistance may be in the form of grants or various CDBG-eligible loan instruments as determined by the Department to support permanent job creation and/ or retention by the company(s) receiving IKE-Business Stimulus Program assistance.<sup>2</sup>
  6. Eligibility 105(a)(2),(14),(15),(17).
  7. National Objective: Must meet either: 51% low-to-moderate income (LMI ) benefit, urgent need, or the slum/blight national objective.

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<sup>1</sup> Per Illinois' Ike Disaster Recovery Plan, the Department reserves the right to grant awards exceeding the standard threshold limits under the various program components, as determined on a case-by-case basis.

<sup>2</sup> The project can support other beneficial activities, such as construction jobs, long term economic recovery, economic revitalization, but these activities cannot replace the primary objective of supporting permanent job creation or retention, within two years from the start of the project.

**Exhibit A**  
**Federally-Designated Areas Eligible for CDBG "Ike" Assistance**

The following Illinois counties were declared eligible for federal assistance in the three 2008 Disaster Declarations:

**Illinois Counties Declared Under FEMA-1800-DR**

- |                   |                       |
|-------------------|-----------------------|
| 1. Bureau County  | 9. Kendall County     |
| 2. Cass County    | 10. LaSalle County    |
| 3. Cook County    | 11. Macoupin County   |
| 4. DeKalb County  | 12. Montgomery County |
| 5. DuPage County  | 13. Peoria County     |
| 6. Greene County* | 14. Scott County      |
| 7. Grundy County  | 15. Will County       |
| 8. Kane County    | 16. Woodford County   |

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

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

**Illinois Counties Declared Under FEMA-1747-DR**

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|--------------------|----------------------|
| 1. Iroquois County | 2. Livingston County |
|--------------------|----------------------|

\* Greene County was declared under both the FEMA 1771 and 1800 declarations