

**State of Illinois Uniform Notice of Funding Opportunity (NOFO)
Summary Information**

Awarding Agency Name	Commerce And Econ Opp
Agency Contact	Wendy Bell (ceo.oed@illinois.gov)
Announcement Type	Initial
Type of Assistance Instrument	Grant
Funding Opportunity Number	FY25-1
Funding Opportunity Title	Community Development Block Grant Housing Rehabilitation Program
CSFA Number	420-75-1633
CSFA Popular Name	CDBG Housing Rehab Program
Anticipated Number of Awards	11
Estimated Total Program Funding	\$7,000,000
Award Range	\$300000 - \$650000
Source of Funding	Federal
Cost Sharing or Matching Requirements	No
Indirect Costs Allowed	No
Restrictions on Indirect Costs	Yes : The CFDA Number for these awards is 14.228, which exempts the grants from the indirect cost requirements of 2 C.F.R. Part 200, pursuant to 2 C.F.R. § 200.101(d)(1). Alternatively, we allow our grantees to charge Activity Delivery up to a set amount. Activity Delivery Costs are eligible as part of the cost of carrying out CDBG activities authorized under 24 CFR 570.201-570.204. HUD Notice CPD-16- 04 also covers Indirect Costs and Activity Delivery, and notes that “activity delivery costs are those included in the costs of carrying out an activity. This term typically refers to costs that may include both direct and indirect components and, thus, apply more broadly than indirect costs. Deviation has been approved.
Posted Date	09/03/2024
Application Date Range	09/03/2024 - 12/04/2024 : 5:00PM
Grant Application Link	Please select the entire address below and paste it into the browser... https://dceo.illinois.gov/aboutdceo/grantopportunities/1633-2888.html
Technical Assistance Session	Offered : Yes Mandatory : Yes Date : 10/01/2024 : 8:00AM Registration link : https://dceo.illinois.gov/communitydevelopment/workshops-and-technical-assistance-cdbg-admin.html

Agency-specific Content for the Notice of Funding Opportunity

Community Development Block Grant Housing Rehabilitation NOFO ID: 1633-2888

For information about grants please visit <https://dceo.illinois.gov/aboutdceo/grantopportunities/granteeresources.html>.

A. Program Description

Notice of Funding Opportunity Intent

The Illinois Department of Commerce and Economic Opportunity (the “Department” or “DCEO”) is issuing this Notice of Funding Opportunity (“NOFO”) to solicit applications for the 2025 Housing Rehabilitation Grant opportunity funded by the Community Development Block Grant (CDBG) through the U.S. Department of Housing and Urban Development.

Program Description

The purpose of grants relative to the Housing Rehabilitation (HR) Notice of Funding Opportunity is to provide units of general local government with funds to address housing needs of eligible low-to-moderate income (LMI) households. The program targets projects which preserve single-family, owner-occupied housing needing rehabilitation and encourage neighborhood revitalization. As this is a direct benefit activity, 100 percent of CDBG housing rehabilitation funds must benefit low-to-moderate income persons. CDBG funds can be used to rehabilitate only those homes occupied by families verified to be of low-to-moderate income. Project must rehabilitate a minimum of eight (8) homes.

Applications must demonstrate the need for housing rehabilitation and support for the proposed project from eligible residents of the project area. Need should be demonstrated through the submission of surveys, completed within 24 months of the application filing date. Resident support can be demonstrated through submission of public meeting minutes and/or resident sign-up sheets.

Eligible activities include:

- Labor and materials,
- Replacement of principal fixtures and components of existing structures;
- Water and sewer connections (if needed for code compliance);
- Initial homeowner warranty premium;
- Hazard insurance premium;
- Flood insurance premium;
- Conservation costs for water and energy efficiency;
- Garages where health & safety issues have been identified;
- Evaluating and treating lead-based paint; and
- Removal of architectural barriers that restrict the mobility and accessibility of elderly or severely disabled persons.
- Rehabilitation to a single-family, owner-occupied residential property that is also used as a place of business and is required to operate the business may be considered homeowner rehabilitation (as opposed to commercial rehabilitation) if the improvements provide general benefit to the residential occupants of the building.

Rehabilitation codes and standards which address mechanical, structural, energy efficiency and other associated rehabilitation activities should, at a minimum, incorporate applicable State plumbing, electrical and lead based paint codes as well as any local rehabilitation codes and standards.

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The following activities are specifically identified as ineligible:

- Construction of buildings, or portions thereof, used predominantly for the general conduct of government (e.g., city halls, courthouses, jails, police stations).
- General government expenses.
- Costs of operating and maintaining public facilities and services (e.g., mowing parks, replacing street light bulbs).
- Servicing or refinancing of existing debt.
- No elected official or official appointed to an elected position is eligible for rehabilitation assistance.

The grant ceiling has been established at \$650,000 per award and the Department has established a minimum grant award level of \$300,000. Applications for less will not be accepted.

Since the program emphasizes the dual goal of serving low-to-moderate income households and maximizing program impact, DCEO has established a maximum or limitation of funds that may be expended at \$60,000.00 of CDBG funds per household. Communities are encouraged to supplement CDBG funds with other available financial resources such as the United States Department of Agriculture Rural Development programs, as well as other local resources.

Community Development Block Grants are federally funded and must comply with extensive federal regulations including procurement, environmental, Davis-Bacon labor standards and others. Failure to comply could result in grant funds being repaid by the Grantee/Community. It is important that Grantees seek out an experienced Grant Administrator to manage all the details of the grant, provide oversight and coordination of the project. This management process is called "Activity Delivery".

All grant administrators (it is assumed the administrator is writing the grant) must attend both the 2025 Application Workshop and the 2024 Grant Administrator's Workshop to be held October 1st & 2nd, 2024.

All Grantees must use an experienced Environmental specialist, who has completed at least one Illinois CDBG Environmental Record Review since January 1, 2018 OR has successfully completed DCEO Environmental Training conducted on July 18, 2018.

The Administrating Entity must be named in the application. Contracts for the purpose of securing services for activity delivery and/or rehabilitation administration (Inspector) must be competitively procured under 2 CFR 200 prior to application unless the contract is with an Intergovernmental Agreement Agency or an Inter-Entity Agreement Agency. The grantee's procurement process must be documented and kept with the grant files. **All contracts for provision of Activity Delivery and/or Rehabilitation Administration (Inspector) must be provided to DCEO with the application, regardless of whether Activity Delivery is paid from grant funds or local government funds. In addition, if Activity Delivery is procured and paid by grant funds, a completed Exempt-CENST-ER-Format form must be included with the application.**

The maximum amount of CDBG funds that may be allowed for reasonable activity delivery costs is \$35,000. Activity delivery costs above that amount must be contracted separately and not included in the application. If paid with CDBG funds, activity delivery costs must be included in the total grant award.

Activity Delivery: Includes such costs as (but are not limited to) salaries, travel costs, services performed under third party contracts, including legal and audit services, environmental record review preparation, additional fidelity bonding costs or other services required for the delivery of grant activities. For Housing Rehabilitation, Activity Delivery is to be used for administrative services necessary to the delivery/completion of the CDBG housing rehabilitation project.

Activity delivery costs may include the estimated cost of an audit to be conducted in accordance with the Comptroller General's Governmental Auditing Standards, and 2 CFR 200.501, if applicable. However, be

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advised that CDBG funds can only be used to pay for its portion of the costs of an audit when a "single audit" is required. If a grantee expends less than \$750,000 of federal funds in one fiscal year, a single audit is not required. The grantee may still have to conduct an annual audit as required by State statute, but CDBG funds may not be used to pay for any portion of the audit costs. For more information on audit standards, please see: <https://www.ilga.gov/commission/jcar/admincode/044/044070000A00900R.html>

All Activity Delivery costs must be substantiated with complete invoices utilizing the template provided by the Department. Invoices without sufficient detail will not be paid.

In addition to Activity Delivery, recipients of Housing Rehabilitation grants may utilize grant funds to pay for Rehabilitation Administration (inspection) based on a pre-determined scale set by the Department (see below).

Rehabilitation Administration covers all delivery costs (including staff, other direct costs, and service costs) directly related to carrying out housing rehabilitation activities. Examples include appraisal, architectural, engineering, and other professional services; preparation of work specifications and work write-ups; loan processing; survey, site and utility plans; application processing; and other fees. Rehabilitation Administration costs must be substantiated with complete invoices.

8 Homes	\$34,000
9 Homes	\$36,000
10 or more Homes	\$38,000

A public hearing must be held prior to submission of an application and prior to passage of a local council resolution of support by the local governing body.

Public Participation

- All applicants must provide for public participation. All citizens must be given reasonable access to the community’s application and reasonable time to review the application prior to the public hearing.

Public Notice

- A Notice of Public Hearing must be published at least once in a newspaper of general circulation at least seven calendar days (excluding the date of publication *and* excluding the date of the hearing) prior to the public hearing.
- The Notice of Public Hearing must include the address of where project information is available for viewing.
- All project information must be available for viewing on the first business day (not Saturday, Sunday, or a holiday) after date of publication at an easily accessible location within the community applying for the grant.
- The Public Comment Period must coincide with the time period between Notice and Hearing; concluding after the Hearing has been completed. The address for submission of written comments must be included in the Public Notice.

Conducting the Public Hearing

- Public Hearings must be facilitated by the applicant’s governing body chief elected official or authorized official and certified by the chief elected official, authorized official or clerk.
- Efforts must be made to assure reasonable access to the public hearing by persons with disabilities; as well as be conducted in a manner to meet the needs of non-English speaking residents where a significant number of non-English speaking residents can reasonably be expected to participate.

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- Those attending the public hearing must be informed of where and how to access the applicant's CDBG records.
- The Hearing must allow for public comments on the application and project.
- A sign-in sheet must be provided to document attendance. It is suggested that each person attending the public hearing provide his address and identify his role of participation (e.g., citizen, elected or appointed official, municipal employee, contractor, grant writer or administrator, business owner, etc.).
- The public hearing must cover:
 1. The amount of funds available;
 2. The project activities that will be undertaken with CDBG funding, including amount;
 3. The project activities that will be undertaken with additional project funding, including amount;
 4. The estimated amount proposed for activities that will benefit LMI individuals;
 5. Plans for minimizing displacement as a result of the CDBG grant-assisted activities and to assist persons actually displaced, if applicable;
 6. A detailed, prioritized list of community development and housing needs; and
 7. A narrative discussion of the scope of the project including the proposed improvements, costs, benefit area, impact on community finances, etc.
- The minutes of the public hearing must be certified by the chief elected official or other authorized local officials, such as county clerk, city clerk, etc.
- Following the Public Hearing, a Resolution of Support from the local governing body must be passed that authorizes the local government to apply for funds. The date of the Resolution must be on or after the date of the Public Hearing.

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

Program History

The Community Development Block Grant (CDBG) Program was established by the federal Housing and Community Development Act of 1974 (Act). Administered nationally by the U.S. Department of Housing and Urban Development (HUD), the Act combined eight existing categorical programs into a single block grant program. In 1981, Congress amended the Act to allow states to directly administer the block grant for small cities. At the designation of the Governor, the Department of Commerce and Economic Opportunity (Department) assumed operation of the State of Illinois CDBG – Small Cities Program in the same year. Through this program, funds are available to assist Illinois communities to meet their greatest economic and community development needs, with an emphasis on helping persons of low-to-moderate income.

Performance Goals and Measures

To ensure that the State-administered program meets the intent of the federal Housing and Community Development Act of 1974, as amended, Congress has required that state-administered programs meet at least one of the following three national objectives:

- Benefiting low-to-moderate income (LMI) persons; or
- 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 Program:

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- Strengthen community economic development through the creation of jobs, stimulation of private investment and strengthening the tax base;
- Improve public infrastructure and eliminate conditions which are detrimental to health, safety and public welfare; and
- Conserve and expand the State's housing stock in order to provide a decent home and a suitable living environment for persons of low-to-moderate income and the developmentally disabled..

Other Information

All application information and forms for Community Development Block Grant funded programs can be found in the 2023/2024 CDBG Guidebook, available on the website at <https://dceo.illinois.gov/communitydevelopment.html>

Sections relevant to the Housing Rehabilitation can also be found as Appendix A to this NOFO.

B. Funding Information

This grant program is utilizing federal pass-through appropriated by by the General Assembly. Community Development Block Grant funds are authorized by Congress on an annual basis and allocated by the U.S. Department of Housing and Urban Development (HUD) to States and Entitlement programs.. Total amount of funding expected to be awarded through this NOFO is \$7,000,000. Awards will range from \$300,000 to \$650,000. The Department expects to make 11 awards through this NOFO.

Anticipated start date for awards is is approximately 90 days after issuance of a Notice of State Award Finalist (NOSAF). A NOSAF outlines the special grant conditions, including the federal environmental process, which must be completed prior to grant agreement. The period of performance is expected to be two years from the grant execution date. The period of performance is expected to be two years from the grant execution date.

Allowed costs relate to construction, contractual and consultant line items. This is a reimbursement grant. All expenses must be substantiated with invoices, cancelled checks and bank statements. See Program Description for details on specific allowable and unallowable costs.

The release of this NOFO does not obligate the Department to make an award.

C. Eligibility Information

An entity must be registered in the Grant Accountability and Transparency Act (GATA) Grantee Portal, <https://grants.illinois.gov/portal/>, at the time of grant application. The portal will verify that the entity:

- Has a valid FEIN number (<https://www.irs.gov/individuals/international-taxpayers/taxpayer-identification-numbers-tin#:~:text=You%20can%20use%20the%20IRS%27s,for%20Individual%20Taxpayer%20Identification%20Number>);
- Has a current SAM.gov registration (<https://sam.gov>), SAM.gov registrations must be marked as “public” to allow the GATA Grantee Portal to expedite the review of the federal information;
- Has a valid UEI number (<https://sam.gov>);
- Is not on the Federal Excluded Parties List (verified at <https://sam.gov>);
- Is in Good Standing with the Illinois Secretary of State, as applicable (https://www.cyberdriveillinois.com/departments/business_services/corp.html);
- Is not on the Illinois Stop Payment list (verified once entity is registered in GATA Grantee Portal); and
- Is not on the Department of Healthcare and Family Services Provider Sanctions list (<https://www.illinois.gov/hfs/oig/Pages/SanctionsList.aspx>).

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Entities on the Illinois Stop Payment List and/or the Federal Excluded Parties List at time of application submission will not be considered for an award.

An automated email notification to the entity alerts them of “qualified” status or informs how to remediate a negative verification (e.g., not in good standing with the Secretary of State). A federal Debarred and Suspended status cannot be remediated.

Pursuant to the policy of the Illinois Office of the Comptroller, to receive grant funds from the State of Illinois, a grantee must be considered a regarded entity by the IRS for federal income tax purposes. Disregarded entities will not be eligible to receive grant funds.

1. Eligible Applicants include:

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 that are incorporated within a city or village.** Incorporated areas **must** apply on their own behalf, regardless of whether a water district or sanitary district is involved. Only units of local government recognized by the Illinois Constitution and able to support economic development activities on a sufficient scale are eligible to apply for Economic Development grant funding. This includes cities, villages, and counties.

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

All applicants must be registered in the Grant Accountability and Transparency Act system (GATA) and be prequalified on the GATA Portal at <https://gata.illinois.gov> on the application due date. Applications submitted by communities who are not prequalified **will not be considered for review**. For more information on GATA Prequalification and other Grantee resources, visit <https://dceo.illinois.gov/aboutdceo/grantopportunities/learning-library.html>.

Municipalities must not be a HUD direct Entitlement community or be located in an urban county that receives "entitlement" funds. Communities receiving an annual allocation directly from HUD on an entitlement (formula) basis are not eligible to apply for the State's CDBG funding. In 2023, Illinois has 33 metropolitan cities and eight urban counties names as Entitlements. This includes the Counties of Cook, DuPage, Kane, Lake, Madison, McHenry, St. Clair and Will; and the Cities or Villages of Arlington Heights, Aurora, Berwyn, Bloomington, Champaign, Chicago, Cicero, Danville, Decatur, DeKalb, DesPlaines, Elgin, Evanston, Hoffman Estates, Joliet, Kankakee, Moline, Mount Prospect, Naperville, Normal, Oak Lawn, Oak Park, Palatine, Pekin, Peoria, Rantoul, Rockford, Rock Island, Schaumburg, Skokie, Springfield, Urbana, Waukegan.

The Department complies with all applicable provisions of state and federal laws and regulations pertaining to nondiscrimination, sexual harassment and equal employment opportunity including, but not limited to: The Illinois Human Rights Act (775 ILCS 5/1-101 et seq.), The Public Works Employment Discrimination Act (775 ILCS 10/1 et seq.), The United States Civil Rights Act of 1964 (as amended) (42 USC 2000a-and 2000H-6), Section 504 of the Rehabilitation Act of 1973 (29 USC 794), The Americans with Disabilities Act of 1990 (42 USC 12101 et seq.), and The Age Discrimination Act (42 USC 6101 et seq.).

2. Cost Sharing or Matching.

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Cost sharing is not required, however up to 10 points may be added to the score when communities contribute other funding toward the completion of the proposed project

In order to receive points for the contribution, a resolution from the local government indicating the commitment of funds must be included in the application.

3. Indirect Cost Rate.

This grant will not compensate for indirect costs.

4. Freedom of Information Act/Confidential Information.

Applications and accompanying materials are subject to disclosure in response to requests received under provisions of the Freedom of Information Act (5 ILCS 140/1 et seq.). Information that could be proprietary, privileged, or confidential commercial or financial information should be clearly identified as such in the application materials. The Department will maintain the confidentiality of that information only to the extent permitted by law.

5. Other, if applicable.

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

1. Costs previously incurred (such as design) as well as costs incurred in preparation of applications and local income surveys are not reimbursable under this grant program.
2. The Department reserves the right to reject any or all applications received and/or negotiate or cancel in part or in entirety grants resulting from application awards if it is in the Department's best interest to do so.
3. **The Department reserves the right to withdraw a commitment for CDBG funds where special grant conditions have not been satisfied within 90 days after the date of the Notice of State Award Finalist**, or at the discretion of the Department if it is determined the project will not progress.
4. 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 component funding area to another. The Department further reserves the right to award funds to the next highest rated applicant(s) for any component should funds become available due to de-obligations, etc.
5. The Department reserves the right to deny funding when submitted applications involve eligible units of government with serious unresolved monitoring or audit findings related to performance. In addition, funding will be withdrawn for any applicant or awardee that has not completed required audits and has been FEIN locked subsequent to the award but prior to grant agreement execution.
6. 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 CDBG-eligible projects. Depending upon available funds, a Back-up Funding round may be implemented later in the program year.
7. The Department reserves the right to not fund applications that address problems which obviously are a result of deferred maintenance.
8. The Department reserves the right to consider an outside technical review by an appropriate agency or 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.
9. Any additional non-CDBG resources must be firmly committed. Also, it must be evident in the application that both CDBG and non-CDBG funds will address the same need.

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10. A grant agreement will be issued for a contract period of twenty-four months for Public Infrastructure, Housing Rehabilitation and Economic Development grants. All projects must be operational at the end of the twenty-four-month grant term. No more than one twelve-month extension may be considered.
11. Proposed projects (including the fund source, cost estimates, benefit, urgency, project area, and/or construction activities) supplied in the grant application submitted for funding must not be changed or modified prior to grant award or at the time the project is bid. If extenuating circumstances exist, the Grantee may submit a modification request after the receipt of its executed Grant Agreement.
12. Requests for Modifications must be presented to the Department prior to any changes being made to the project area, beneficiaries, cost estimates, or funded activities. All modifications must include only original and environmentally-cleared project location(s). Requests for activities outside the original project location(s) will not be considered. Modifications that will decrease the benefit to low-to-moderate income persons will not be considered. Modifications to decrease or increase the scope of work due to greater than or less than estimated costs will not be considered.
13. The use of in-kind services as additional funding is limited. Applicants must identify the specific tasks/services that will be performed 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.
14. 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 connection 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.
15. **With the exception of the Exempt-CENST-ER-Format form, and only if CDBG funded Activity Delivery and/or Rehabilitation Administration is budgeted, no environmental review activities can take place until the applicant has received the Notice of State Award Finalist.** Once this Notice is received, only then may the grantee initiate required environmental clearance requests with the four State environmental clearance agencies and federal environmental sources, in accordance with Federal NEPA requirements and State law. **DO NOT** reuse State environmental clearance letters previously obtained for another funding source. In certain circumstances, the CDBG Economic Development Program Manager may allow a community to begin the Environmental review early.
16. In accordance with the Interagency Wetland Policy Act of 1989, an applicant whose proposed project site is located on or within 250 feet of a wetland site listed on the National Wetlands Inventory will be required to comply with the requirements of the Act. This includes: developing a plan to minimize adverse impacts on wetlands, or providing written evidence that the proposed project will not have an adverse impact on a wetland. Project must also comply with Federal Wetlands Protection regulations at 24-CFR 58.5(b)(2) and Executive Order 11990, which may require preparation of an Eight-Step Wetlands Review.
17. 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 their website: <https://msc.fema.gov>. Exact project location(s) must be clearly drawn on the FEMA map prior to submission. The most current version available on <https://msc.fema.gov> must be used.
18. CDBG grant funds may not be used for any activity in an area delineated as a special flood hazard area in FEMA's most current flood advisory maps unless it also ensures that the action is designed or modified to minimize harm to or within the floodplain in accordance with Executive Order 11988, 24 CFR 55, and (eff. 6/24/24) HUD Federal Flood Risk Management Standard "(FFRMS). In accordance with 24 CFR 55, CDBG grant funds must not be committed in a FEMA-designated floodway, unless the project

is a functionally dependent use of the floodway, as approved by the Department ahead of time, Under HUD FFRMS, CDBG assistance committed for any Critical Action (e.g., for Public Infrastructure (PI), water or sewer plant, or water tower) in a FFRMS flood plain must be mitigated through elevation.

Communities receiving an annual allocation directly from HUD on an entitlement (formula) basis are not eligible to apply for the State's CDBG funding per U.S. Department of Housing and Urban Development regulations.

Applicants may submit one application for this opportunity each funding cycle for this opportunity.

D. Application and Submission Information

1. Address to Request Application Package.

Grant application forms are available at the web link provided in the "Grant Application Link" field of this announcement or by contacting the Program Manager:

Office of Community Development
Illinois Department of Commerce & Economic Opportunity
1011 South Second Street
Springfield, IL 62704
Tele: 217-558-4222
Email: ceo.oed@illinois.gov

2. Content and Form of Application Submission.

A standard application package must be submitted to and reviewed by DCEO. Each package must contain the following items:

- Uniform Grant Application in fillable PDF format. Signature page must be printed, signed, scanned and submitted with application.
- Uniform Budget utilizing the template provided by DCEO for this project. The entire budget with all worksheets included even if the worksheets are not relevant to the grant opportunity must be submitted with the application materials. Signature page must be printed, signed, scanned and submitted with application.
- Conflict of Interest Disclosure
- Mandatory Disclosures

NARRATIVE RESPONSES

All applications must include the following narrative responses as well as the requested documentation. See the [Application Checklist](#) contained in Appendix A for placement in the application.

- Letter of Transmittal** – Must include the amount requested, a brief project description, the LMI benefit, and the additional funding amount and source.
- Project Summary** - Describe the need for the proposed project covering the following key points:
 - Identify the project area and explain how the area was selected.
 - Describe the scope of any other activities planned or ongoing in the project area which will support the proposed project.

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- Address other financing to be expended and the status of that financing.

Housing Project Design - Describe the general design of the proposed housing project. Emphasis should be on demonstrating an understanding of the procedural and management requirements for a housing rehabilitation program by addressing the project readiness evaluation criteria. This should include a response to each of the following:

- Proposed application selection process, i.e., prioritization schedule – very low income, elderly, handicap households receiving 50% or more of available prioritization points.
- Proposed housing rehabilitation priorities, e.g., the types and priority of work to be performed within the limitations of \$60,000 in CDBG funds per housing unit.
- Housing Rehabilitation Codes which have been adopted, e.g., rehabilitation code or standards that must include at a minimum; electrical, plumbing, lead based paint, etc.
- Program promotion and solicitation of applicants, i.e., type of informational correspondence regarding the program to all project area residents, any additional program outreach such as public hearings, community meetings or announcements in local media regarding the program.
- General Activity Delivery of the housing program, housing inspector and construction management and an identification of key individuals and their roles and responsibilities.
- Where the applicant proposes to enter into a third-party contract for Activity Delivery and Administration services with an entity that is not a **Regional Planning Commission, Council of Officials, or Community Action Agency**, said applicant must select an administrative entity prior to application submission in conformance with HUD regulations found at 2 CFR 200 Procurement. The formal procurement process shall include but not be limited to a Request for Qualification (RFQ) from eligible respondents.
 - Sample documents to be used in the formal procurement process are provided in Section IX, Attachments. This process must be completed prior to application submission. Evidence of the process to procure services through a third party, including advertising through public notice, selection and scoring criteria shall be provided in the application for funding, including the qualifications as submitted by the selected entity.

All contracts for provision of Activity Delivery and/or Rehabilitation Administration (Inspector) must be provided to DCEO with the application. In addition, if Activity Delivery is procured, a completed Exempt-CENST-ER-Format form must be included with the application.

Project Maps - The following maps must be included in the application submission.

- **A Project Location Map(s)** must be included in the application. The project map(s) must be clear and readable and provide the geographic location of the area to be served. The map(s) must clearly identify:
 - boundaries (streets, highways, landmarks, etc.) of the project area and provide the names of all roads or streets within the project area;
 - any part(s) of the project area within a designated 100-year floodplain;
 - all surveyed housing units in the project area by street address, including rural route addresses; units should be identified as: LMI owner-occupied single family homes in need of rehabilitation.
 - all previously funded target areas within the community, including program year and grant number.

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The project map(s) must be suitable for reproduction and shall not exceed the page size of 11 x 17 inches.

- **A FEMA-Issued Floodplain Map** must be included in the application. You can obtain this map by calling FEMA at 800.358.9616 or by using the website <https://msc.fema.gov>.
- Commitment Letters - The status of the “Coordination of Resources” financing is of particular importance.** As noted on the CDBG Submission Checklist/Table of Contents, the application must include copies of the “Coordination of Resources” commitment letters in order to meet the “Coordination of Resources” scoring criteria. **A firm commitment letter must include at a minimum, the following information as appropriate to the type of fund source being considered.**
 - A firm commitment letter from a FINANCIAL INSTITUTION must include specific terms and conditions which would enable low-income persons to qualify for financial assistance, including, but not limited to, specific amounts, specific terms in years, and specific lower interest rates.
 - A firm commitment from the UNITED STATES DEPARTMENT OF AGRICULTURE RURAL DEVELOPMENT (RD) or other state or federal source must include a specific dollar amount, program sources, and type of assistance.
 - When a local government is proposing to use its own funds (i.e., cash on hand) for the Coordination of Resources, a local council or board resolution committing a specific dollar amount to the project must be included.
- Cost Estimates for Housing Rehabilitation Work- Three (preferably one minimum, one moderate and one maximum) cost estimates must be included in the application, with photos of each home.**
- Fair Housing Resolution** – All applicants are required to pass a Fair Housing Resolution to affirmatively further fair housing; post Fair Housing Posters; and make HUD Fair Housing Complaint forms available to the public. A copy of the Fair Housing Resolution must be submitted with the application.
- IRS Certification Letter**
Include in the application “Letter 147c” or “Letter 4158c” provided by the IRS to verify the Taxpayer Identification Number (TIN) or Federal Employer Identification Number (FEIN) for the applicant. If you do not have a current (dated within five years) copy of an IRS certification letter on file, please call the IRS Business line, **1-800-829-0115**, to request a “**Letter 147C**”, or call **1-877-829-5500** to request a “**Letter 4158c.**” Only the applicant is authorized to request a copy of this letter.
- W-9 Form**
Include a completed W-9 form. The name of the entity must exactly match the name indicated on the IRS certification letter, and the W-9 must be the most current issued (<https://www.irs.gov/pub/irs-pdf/fw9.pdf>).

PACKAGING YOUR APPLICATION

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All grant application materials **must** be:

- Typed (except for signatures and maps)
- Clipped together with a large binder clip on the top.
- Any oversize pages such as maps should be placed at the end of the application. State those later page #'s for oversized pages in the related item's "Page Number" field on the Application Submission Checklist page.
- Contained in two brown legal-size (will accommodate 8½" x 14" papers), open-top (no foldovers with cords or ties) expandable folders (One marked "original," and one marked "copy")
- Brown legal size folders are to be labeled with a 2"x 4" white label, placed in the top right-hand corner of the folder with the following information:
 - Name of Applicant
 - 2025 Housing Rehabilitation
 - Original or Copy

For Example:

VILLAGE OF ABRACADABRA
2025 Housing Rehabilitation
Original

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

Submit the original and one complete copy. *Be certain if there are documents in **color** in the original, that the copies are in **color** also!*

Please note there is a maximum upload of 10 documents in the web form that you submit the application, so combining files may be necessary.

3. Unique Entity Identifier (UEI) and System for Award Management (SAM).

Each applicant (unless the applicant is an individual or Federal or State awarding agency that is exempt from those requirements under 2 CFR 25.110(b) or (c), or has an exception approved by the Federal or State awarding agency under 2 CFR 25.110(d)) is required to:

- (i) Be registered in SAM. To establish a SAM registration, go to www.SAM.gov and/or utilize this instructional link: www.grants.illinois.gov Resource Links tab. SAM.gov registrations must be "public."
- (ii) Provide a valid UEI number in the GATA Grantee Portal registration.
- (iii) Continue to maintain an active SAM registration with current information at all times during which it has an active Federal, Federal pass-through or State award or an application or plan under consideration by a Federal or State awarding agency. The Department will not make a Federal pass-through or State award to an applicant until the applicant has complied with all applicable UEI and SAM requirements and, if an applicant has not fully complied with the requirements by the time the Department is ready to make a Federal pass-through or State award, the Department may determine that the applicant is not qualified to receive a Federal pass-through or State award and use that determination as a basis for making a Federal pass-through or State award to another applicant.

4. Submission Dates and Times.

Applications for this opportunity must be submitted by Wednesday, December 4, 2024 at 5pm CST. All applicants should complete the application package and submit an original and copy of all requested material to the Department's **Springfield** Office at:

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In person:

Illinois Department of Commerce and Economic Opportunity
Office of Community Development
1020 South Spring
Springfield, IL 62704

Or mailed to:

Illinois Department of Commerce and Economic Opportunity
Office of Community Development
1011 South Second Street
Springfield, IL 62704

Facsimile and e-mailed submissions will **not** be accepted.

The Department is under no obligation to review applications that do not comply with the above requirements. Failure to meet the application deadline may result in the Department returning application without review or may preclude the Department from making the award.

5. Intergovernmental Review, if applicable.

The Department reserves the right to consider an outside technical review by an appropriate agency or agencies.

6. Funding Restrictions.

This opportunity does not allow reimbursement of pre-award costs. Other restrictions can be found in Sections A., B., and C.

7. Other Submission Requirements.

Documents stored in Google Docs or other cloud-based servers are not allowed.

Applicants may confirm receipt of the application and documents by contacting the program contact listed in this NOFO.

E. Application Review Information

1. Criteria.

The maximum available score per application is 100 points. The maximum scores available for each of the four scoring criteria, with examples of scoring determinations are as follows:

Project Need:	20 points
Project Impact:	20 points
Coordination of Resources:	30 points
Project Readiness:	30 points

1. Project Need – Maximum Score 20 Points

Project need is indicated in several ways, specifically inclusion in an Opportunity Zone, an Underserved Area, or the number of low-to-moderate income homes in the area.

Opportunity Zones: Illinois has 327 designated opportunity zones, all of which are low-income communities. To further encourage the investment in and vitality of these communities, three (3) points will be given to applicant communities

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when at least half of the eligible surveyed homes are within opportunity zones. For more information on Opportunity Zones, please see: <https://dceo.illinois.gov/oppzn.html>

Opportunity Zone = 3 Points

- DCEO Underserved Area: An “underserved area” is a census tract which meets one of the following four tests. Project or community
 - Poverty rate of at least 20%; or 35% or more of the families with children in the area are living below 130% of the poverty line, according to the latest American Community Survey; or
 - At least 20% of the households in the area receive assistance under the Supplemental Nutrition Assistance Program (SNAP); or
 - Average unemployment rate that is more than 120% of the national unemployment average, for a period of at least two (2) consecutive calendar years preceding the date of the application.

Two (2) points will be given to applicant communities when at least half of the eligible surveyed homes are within a DCEO Underserved Area. For more information and to identify an underserved area, please see: <https://dceo.illinois.gov/expandrelocate/incentives/underservedareas.html>

Underserved Area = 2 Points

- Up to 15 points may be received based on the low-to-moderate income (LMI) of an entire community, an individual census block or combined census blocks. The Score will be based on total percentage of LMI households in the project area.

Applications that do not provide a defined project area that meets this criterion will receive zero (0) points for project need. HUD Map showing LMI must be included in application. Use link below to determine LMI.

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

<u>Total Number of LMI households</u>		<u>Points</u>
80% and higher	=	15 points
75-79.9%	=	14 points
70-74.9%	=	13 points
65-69.9%	=	12 points
60-64.9%	=	11 points
55-59.9%	=	10 points
50-54.9%	=	9 points
45-49.9%	=	8 points
40-44.9%	=	7 points
35-39.9%	=	6 points
30-34.9%	=	5 points
25-29.9%	=	4 points
20-24.9%	=	3 points
15-19.9%	=	2 points
10-14.9%	=	1 point

2. Project Impact – Maximum Score 20 Points

In order to document an achievable impact in the project area, a minimum number of completed Housing Needs Surveys must be submitted with the application. All submitted surveys must

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document eligible households (LMI owner-occupied single-family owner-occupied homes in need of rehabilitation).

The minimum number of surveys to be submitted will be the equivalent of two times the projects proposed scope of work. However, to assure there are enough eligible homes to complete the project, we strongly suggest you complete surveys at the equivalent of three times the proposed scope of work.

Example: If the proposed scope of work is the rehabilitation of eight (8) homes, a minimum of 16 eligible surveys must be submitted, but we suggest you obtain 24 eligible surveys.

3:1 surveys to scope of work = 20 points

2:1 surveys to scope of work = 10 points

Less than 2:1 surveys to scope of work = 0 points

3. Coordination of Resources – Maximum Score 30 Points

- Additional Funding Sources: The following numerical scores will be provided based upon the applicant’s submission of documentation of additional funding resources which will provide assistance to LMI households in coordination with the CDBG housing programs.

Additional Funding Resources must meet the criteria as set forth in Section IV, Part E(5). Additional Funding can be any amount from any identified resource but must meet a total of at least \$5,000. Points will be given based on the total of all Additional Funding Resources.

<u>Total Additional Funding Amount</u>		<u>Points</u>
\$20,000 or more	=	10 points
\$15,000	=	8 points
\$10,000	=	6 points
\$ 5,000	=	4 points
Less than \$5,000	=	0 points

- Project Administration A professional Grant Administrator with a proven track record is an important resource for completing a successful CDBG project. The track record of a Grant Administration Agency will be evaluated by examining all open CDBG grants on the application deadline date. Calculations will be made to provide DCEO staff the overall average percentage of funds drawn on open grants of each Grant Administration Agency.

Points will be assessed on the average draw-down percentage as follows:

<u>Average Drawdown Percentage</u>		<u>Points</u>
80% or more drawn	=	20 points
70 – 79.9% drawn	=	16 points
60 – 69.9% drawn	=	14 points
50 – 59.9% drawn	=	12 points
40 – 49.9% drawn	=	8 points
30 – 39.9% drawn	=	4 points
20 – 29.9% drawn	=	2 points
Less than 20% drawn	=	0 points

4. Project Readiness – Maximum Score 30 Points

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The following numerical scores will be provided based upon the applicant's submission of documentation that all administrative and technical issues involved in assuring a successful housing project have been addressed, including but not limited to:

- Letters from General Contractors that have been pre-qualified by the applicant, stating they are available and interested in performing rehabilitation activities within the applicant community = 2 points per letter proving contractor is Illinois Environmental Protection Agency (EPA) Renovation, Repair, Painting (RRP) certified (if lead EPA lead contractor, provide copy of license) 1 point per letter from non-licensed lead contractor - Maximum 10 points
- Substantial owner interest in the housing project = .5 points for each project area household attending the required public hearing, verified through sign in sheet from public hearing – Maximum 5 points
- Selection of Housing inspector – Maximum 5 points
 - ◆ Applicant has selected a qualified housing inspector (resume required) that is currently licensed by IDPH as a Lead Inspector/Lead Risk Assessor = 5 points.
 - ◆ Applicant has not selected a qualified housing inspector that is currently licensed by IDPH as a Lead Inspector/Lead Risk Assessor but will retain one upon grant award (submit qualifying criteria) = 2.5 points
- Applicant provides detailed cost estimates of three specific housing units including photo within the project area, defined in surveys as requiring Minimal, Moderate, and Major housing rehabilitation assistance. = Maximum 5 points
- Applicant includes description of the proposed application process which identifies how the project area population will be notified and encouraged to apply for rehabilitation assistance = Maximum 2.5 points
- A project map clearly showing all LMI surveyed homes = Maximum 2.5 points.

2. Review and Selection Process.

Applications will be graded using the Merit Review Process and scored on the criteria specified in Section E.1. The Department will designate an Evaluation Committee to grade each application received for this funding opportunity. Grants will be awarded starting at the highest score working down the list until funding is exhausted. In cases where projects have identical overall ratings, Project Readiness score will be used to decide the higher score.

The Merit Based Review process is subject to appeal. However, competitive grant appeals are limited to the evaluation process. Evaluation scores may not be protested. Only the evaluation process is subject to appeal. The appeal must be submitted in writing to the Department within 14 calendar days after the date that the grant award notice has been published. The written appeal shall include the name and address of the appealing party, the identification of the grant and a statement of reasons for the appeal. To file an appeal, applicants must submit the appeal in writing and in accordance with the Merit-Based Application Review Appeals Process listed on the Grant Opportunities page of the DCEO website:
<https://dceo.illinois.gov/aboutdceo/grantopportunities/meritappreview.html>.

3. Anticipated Announcement and State Award Dates, if applicable.

After the application period is closed, the Department will conduct a merit based review of eligible applications. Successful applicants will receive a Notice of State Award (NOSA) to initiate the grant agreement phase. During this phase, you will be contacted by a grant manager to develop a

grant agreement, which can be a months long process depending on complexity, cooperation, and conformity with all applicable federal and state laws.

The Department reserves the right to issue a reduced award, or not to issue any award.

F. Award Administration Information

1. State Award Notices.

The Notice of State Award (NOSA) will specify the funding terms and specific conditions resulting from the pre-award risk assessments and the merit-based review process. The NOSA must be accepted in the GATA Portal by an authorized representative of the grantee organization. The NOSA is not an authorization to begin performance or incur costs.

2. Administrative and National Policy Requirements.

Subrecipients and Subcontractors: Agreement(s) and budget(s) with subrecipients and subcontractors must be pre-approved by and on file with DCEO. Agreements can be submitted to DCEO when available. Subcontractors and subrecipients are subject to all applicable provisions of the Agreement(s) executed between DCEO and the grantee. The successful applicant shall retain sole responsibility for the performance of its subrecipient(s) and/or subcontractor(s).

Grant Uniform Requirements: The Grant Accountability and Transparency Act (30 ILCS 708/1 *et seq.*) (and its related administrative rules, 44 Ill. Admin. Code Part 7000), was enacted to increase the accountability and transparency in the use of grant funds from whatever source and to reduce administrative burdens on both State agencies and grantees by adopting federal guidance and regulations applicable to those grant funds; specifically, the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (2 CFR 200).

Procurement: Grantees will be required to adhere to methods of procurement per the Procurement Standards (2 CFR 200.317 – 2 CFR 200.327).

3. Reporting.

Periodic Performance Report (PPR) and Periodic Financial Report (PFR)

Grantees funded through this NOFO are required to submit in the format required by the Grantor, at least on a quarterly basis, the PPR and PFR electronically to their assigned grant manager. The first of such reports shall cover the first three months after the award begins. Pursuant to 2 CFR 200.328, Periodic Financial Reports shall be submitted no later than 30 calendar days following the period covered by the report. Pursuant to 2 CFR 200.329, Periodic Performance Reports shall be submitted no later than 30 calendar days following the period covered by the report. Any additional reporting requirements will be disclosed in the NOSA. Grantees are required within 45 calendar days following the end of the period of performance to submit a final closeout report in the format required by the Grantor (See 2 CFR 200.344).

Monitoring

Grantees funded through this NOFO are subject to fiscal and programmatic monitoring visits by the Department in accordance with 2 CFR 200.337. They must have an open-door policy allowing periodic visits by Department monitors to evaluate the progress of the project and provide documentation upon request of the monitor. Program staff will also maintain contact with participants and monitor progress and performance of the contracts. The Department may modify grants based on performance.

Audit

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Grantees shall be subject to Illinois' statewide Audit Report Review requirements. Terms of the Single Audit Act Amendments of 1996 (31 USC 7501-7507), Subpart F of 2 CFR Part 200, and the audit rules set forth under the Grant Accountability and Transparency Act Admin Rules shall apply (See 44 IL Admin Code 7000.90).

Grant Evaluation Report

The final report covering final expenditures and deliverables of the grant must be submitted to the Department within 60 days of the grant closing.

G. State Awarding Agency Contact(s)

Grant Help Desk
Illinois Department of Commerce & Economic Opportunity
Email: **CEO.GrantHelp@illinois.gov**

H. Other Information, if applicable

The Community Development Block Grant Housing Rehabilitation (CDBG) is available on a competitive basis annually. Other CDBG programs include Public Infrastructure, Economic Development, and Disaster Response. More information on CDBG programs can be found at:

<https://dceo.illinois.gov/communitydevelopment.html>

All Community Development Block Grant application information and forms are contained in an annual Guidebook, which is the basis of the Action Plan approved by the U.S. Department of Housing and Urban Development. The Guidebook (in Microsoft Word) can be found at:

<https://dceo.illinois.gov/communitydevelopment.html>

The applicable Sections of the Guidebook for the CDBG Housing Rehabilitation program are Sections I, II, IV, and VII. These Sections have been formatted as a pdf and attached to this Notice of Funding Opportunity as Appendix A.