

KANE COUNTY COMMUNITY DEVELOPMENT FUND Program Guidelines

General Program Description

The Community Development Fund was established by the Kane County Board in 1998 with funds provided annually by the United State Department of Housing and Urban Development. The overall goal of the program is to foster viable communities by providing decent housing and a suitable living environment, and by expanding economic opportunities, primarily for low- and moderate-income persons. Twenty-five municipalities participate in Kane County's Community Development Program, which provides critical "gap" funding for a wide array of worthwhile projects and programs that improve the quality-of-life in our rapidly growing and changing area.

Eligible Applicants

Kane County provides Community Development funds to units of local government and non-profit organizations for projects that benefit citizens within the county's Community Development Program Area. The program area includes all of Kane County outside the corporate limits of Algonquin, Aurora, Elgin, Hoffman Estates, and Montgomery. (Three of these communities – Aurora, Elgin, and Hoffman Estates – have independent Community Development Programs.)

Project Eligibility

To be eligible for funding, a project must satisfy one of two national objective established by HUD. It must either benefit low- or moderate-income residents, or eliminate slum or blight conditions. Certain segments of the general population are presumed to be low- to moderate-income. Examples include elderly persons, disabled persons, homeless persons, and abused spouses and children. For other projects, such as those that involve the delivery of housing services, income verification is necessary to document low- or moderate-income status. Below are the current low- and moderate-income limits for Kane County, which is part of the Chicago Metropolitan Area.

Income Levels for the Chicago Metropolitan Area

(Effective: March 2007)

Median Family Income (MFI) = \$69,800

Household Size	Median Family Income	Moderate Income (80% MFI)	Low Income (50% MFI)	Ext. Low Income (30% MFI)
1	\$52,800	\$41,700	\$26,400	\$15,850
2	\$60,300	\$47,700	\$30,150	\$18,100
3	\$67,900	\$53,650	\$33,950	\$20,350
4	\$69,800	\$59,600	\$37,700	\$22,600
5	\$81,400	\$64,350	\$40,700	\$24,450
6	\$87,500	\$69,150	\$43,750	\$26,250
7	\$93,500	\$73,900	\$46,750	\$28,050
8	\$99,500	\$78,650	\$49,750	\$29,850

While planning and capacity-building projects do not have to satisfy a national objective, priority will be given to applications involving planning projects that focus on low- and moderate-income areas of the county's program area. Note that projects involving the general operation of government or the rehabilitation of governmental buildings are ineligible.

Applicants are strongly encouraged to discuss the nature and scope of their projects with the Kane County Development Department prior to preparing applications in order to confirm that eligibility criteria have been met.

Priority Needs

Kane County's Housing and Community Development Consolidated Plan, prepared in 2005, identified five high-priority needs. It also established strategies for addressing those needs over a five-year period with available resources. The following provides a summary of the needs and strategies.

Priority Need	Strategy
Affordable Housing	Preserve existing units of affordable and special needs housing throughout the county, and create additional units of such housing in areas where they are currently lacking and near employment centers.
Neighborhood Infrastructure	Improve public infrastructure that directly affects the environmental quality of neighborhoods and communities.
Public Facilities	Construct and rehabilitate public facilities such as parks, community centers, and facilities from which human services are provided to area citizens.
Emergency Shelter Services	Increase the availability of emergency-shelter and transitional-housing services and facilities. Provide support for the Continuum of Care for Kane County.
Planning and Capacity-Building	Undertake critical community-planning and capacity-building activities that will contribute to the effective use and leveraging of resources.

Evaluation Criteria

Applications that meet federal eligibility requirements will be evaluated by the Community Development Commission on a competitive basis according to the criteria listed below. Projects determined to be the most responsive to these criteria will be considered for funding.

Criteria	Description
Consolidated Plan Needs/Strategies	Priority will be given to projects that effectively address the high-priority needs and strategies identified in the Housing and Community Development Consolidated Plan (see summary above).
Leveraging of Other Resources	Consideration will be given to the amount of private and/or other public funds the project will leverage.
Project Readiness	Priority will be given to projects that are ready to proceed or face the fewest obstacles that could prevent their timely completion. Factors considered under this criterion will include whether or not the applicant has obtained site control and the appropriate zoning, and the extent to which environmental issues might hinder completion of the project.
Community Impact/Urgency	Consideration will be given to projects expected to have the greatest beneficial impact in the neighborhood, community, and/or county, or are designed to address an urgent need for which no other funding is available. Factors considered under this criterion will include the extent of the physical improvements that will result from the project, as well as the number of low- and moderate-income residents that will benefit from the project, in relation to the amount of CDBG funds requested.

Project Requirements

Applicants selected for funding under the Community Development Program will be afforded a reasonable amount of time to obtain and submit documentation that all other funding sources identified in their applications are committed to their projects. As "subrecipients" under the county's program, successful applicants must enter into an agreement stipulating various project and program requirements. No work may begin prior to the execution of the agreement. While projects are underway, subrecipients are expected to submit quarterly reports to document project accomplishments and may request the disbursement of Community Development funds as they are needed for the payment of eligible project expenses.

Any Community Development funds used to acquire and/or improve owner-occupied residential real estate shall be provided in the form of a zero-interest, deferred-payment loan, secured with a recorded mortgage payable to Kane County. Such loans will not be due until the real estate is sold, the title is transferred, or the household no longer occupies the property as their primary residence.

Any funds used to acquire and/or improve other types of real estate shall be provided in the form of a zero-interest, forgivable loan, secured with a recorded mortgage payable to Kane County. The term of such loans will be twenty years, at which time the principle, in its entirety, will be forgiven.

Submission Requirements

Applications for Community Development funds must be either typewritten using forms provided in this packet or downloaded from Kane County's website (listed below). In addition to the required forms, a number of supporting documents are required. (An application checklist is provided at the end of the application packet for reference purposes.) Applicants should be certain to properly complete and submit all required application materials, as insufficient data could reduce the competitiveness of an otherwise eligible project.

Applications for Community Development funds are due on Friday, January 4, 2008. All application materials must be received by 4:30 p.m., on the due date, at the office of the Kane County Development Department, 719 Batavia Avenue, Geneva IL 60134. Each applicant is required to submit one original and one copy of their completed application package. Application materials should not be bound. Kane County reserves the right to request additional information regarding any application submitted.

For Further Assistance

The staff of the Kane County Development Department is available to answer questions regarding application procedures, project eligibility requirements, and the Community Development Fund in general. Please contact Scott Berger, Program Manager, at 630-208-5351, or by e-mail (bergerscott@co.kane.il.us) for further assistance. Information is also available at Kane County's website (www.countyofkane.org/pages/communityinvestmentinitiatives.aspx).