

STRONG COMMUNITIES PROGRAM (SCP)

ROUND 2 GRANT APPLICATION

DUE ON JUNE 7, 2023 AT 3:00 P.M. CST

Submit completed application on Jotform

Please zip all PDF documents in your application submission Attachments uploaded directly into the Jotform application Important Note: no .exe or similar extensions on any files or sub-files

For questions and comments please contact SCPinfo@ihda.org.

APPLICATION GUIDE

PROGRAM OVERVIEW

The Strong Communities Program ("SCP," or the "Program") was created in 2020. The Program provides grant funds to municipalities, counties, and land banks to address affordable housing needs and community revitalization efforts. SCP will return vacant residential properties to productive and taxable use through rehabilitation and provide funds for demolition in cases where properties are beyond repair and negatively impacting neighboring residences. As a result, SCP has the potential to increase property values, create jobs, help reduce crime, generate additional tax revenue, and attract further community investment. By enabling greater revitalization opportunities, SCP will preserve existing affordable housing stock that is often in city centers and in proximity to community amenities (schools, parks, medical facilities, shopping, jobs, and transportation), and encourage further investment and revitalization. SCP directly correlates to the work of the Illinois Revitalization Task Force, established by SR1786, recognizing that the number of abandoned and vacant single-family homes affects housing values, decreases the affordable housing stock, and poses a public safety hazard as municipalities struggle to gain access to the homes. SCP furthers work recognized by a National Coalition of State Housing Agencies (NCSHA) 2019 State Advocacy national award.

PURPOSE OF SCP GRANT

The purpose of the Program is to use funding from the Build Illinois Bond Fund to make grants to municipalities, counties, and land banks to assist with their costs incurred for the acquisition, maintenance, rehabilitation, and demolition of abandoned residential property in their jurisdiction.

ELIGIBILITY

Applicants must be a municipality, county, or land bank located in the State of Illinois. A county or municipality may join with other counties/municipalities and together submit a single application; however, each county/municipality may only apply once per funding round.

Applicants are required to provide a copy of their most recent independent financial audit.

ELIGIBLE GRANT ACTIVITIES

Grant funds may be used for acquisition, demolition, or rehabilitation of vacant and abandoned residential properties. A list of specific activities is included below. <u>All eligible grant activities must be in conjunction with a primary property activity of acquisition, rehabilitation, or demolition.</u>

ELIGIBLE ACTIVITIES

- Acquisition (not to exceed \$5,000 per PIN to allow for abandonment petition for Judicial Deed, tax sale purchase and legal costs, etc.)
- Rehabilitation (not to exceed \$75,000 per PIN; can include interior and exterior rehab activities)
- Demolition (note that exceptions to the maximum per PIN cost of \$40,000 may be considered on a
 case-by-case basis for remediation requirements, and strategic demolition aligned with local planning efforts)
- Tree, Shrub and Debris Removal (including grass cutting)
- Lot Treatment and Greening (i.e. sod, level and grading, shrubs, native plantings, community gardens, stormwater management projects)
- All reasonable hard and soft construction costs related to the activities listed above, which may be approved
 or denied in IHDA's sole and absolute discretion
- Administrative costs (maximum general administration fees consist of 10% of the total grant for administrative costs related to general management, oversight, and coordination, including staff and overhead)

ELIGIBLE PROPERTIES

- 1-6 unit residential properties in the State of Illinois
- Properties that meet the definition of Abandoned Residential Property under the Program
- Manufactured homes taxed as real property with a foundation but no hitch or wheels
 *Properties may have garages, outbuilding, and/or sheds (demolition/removal of these buildings is an eligible cost if associated residential property meets the definition of "Abandoned Residential Property" under the Program)

INELIGIBLE PROPERTIES

- Residential properties knowingly occupied by legal or non-legal residents
- Historically registered properties
- Commercial, industrial, or agricultural properties
- Mixed use properties with a residential unit component

Below is full definition of Abandoned Residential Property that will be used for the Strong Communities Program:

ABANDONED RESIDENTIAL PROPERTY DEFINITION

Abandoned Residential Property shall mean residential real estate that:

- a.) Either:
 - 1.) One (1) of the following conditions are shown to exist:
 - A) Is not occupied by any mortgagor or lawful occupant as a principal residence; or
 - B) Contains an incomplete structure if the real estate is zoned for residential development, when the structure is empty or otherwise uninhabited and in need of maintenance, repair or securing; and

OR

- b.) Either:
 - 1.) Two (2) or more of the following conditions are shown to exist:
 - A) Construction was initiated on the property and was discontinued prior to completion, leaving a building unsuitable for occupancy, and no construction has taken place in 6 months;
 - B) Multiple windows on the property are boarded up, closed off or smashed through, broken off or unhinged, or multiple window panes are broken and unrepaired;
 - C) Doors on the property are smashed through, broken off, unhinged or continuously unlocked;
 - D) The property has been stripped of copper or other materials, or interior fixtures to the property have been removed;
 - E) Gas, electrical or water services to the entire property have been terminated;
 - F) One or more written statements of the mortgagor or the mortgagor's personal representative or assigns, including documents of conveyance, indicate a clear intent to abandon the property;
 - G) Law enforcement officials have received at least one report of trespassing or vandalism or other illegal acts being committed at the property in the last 6 months;
 - H) The property has been declared unfit for occupancy and ordered to remain vacant and unoccupied under an order issued by a municipal or county authority or a court of competent jurisdiction;
 - The local police, fire or code enforcement authority has requested the owner or other interested or authorized party to secure or winterize the property due to the local authority declaring the property to be an imminent danger to the health, safety and welfare of the public;
 - J) The property is open and unprotected and in reasonable danger of significant damage due to exposure to the elements, vandalism or freezing; or
 - K) Other evidence indicates a clear intent to abandon the property; or
 - 2.) The real estate is zoned for residential development and is a vacant lot that is in need of maintenance, repair and securing.

It is acceptable for eligible properties with work already underway (i.e., abandonment petition filed, securing the property, environmental inspection) to submit reimbursement for eligible expenses on those properties from January 1, 2022, so long as those costs were not billed to a previous grant program. All Program requirements, regulatory compliance, and certifications must be met to be reimbursed for previous eligible activities. Applicant awarded funds will be required to submit before and after photos.

FUNDING

Funding for the Program is derived solely from the Build Illinois Bond Fund.

Maximum grant amounts are \$750,000 per municipality/county or land bank in the State of Illinois (no match funds). Funding will be allocated to approved grantees based on evaluations of competitive applications.

Term

SCP grant funds will be available for a period not to exceed twenty-four (24) months. No extensions beyond this term are permitted due to the funding source for the Program.

PROGRAM REQUIREMENTS

For activities undertaken and submitted for reimbursement, successful applicants must follow all local, county, and state laws pertaining to such activities including, but not limited to, applicable environmental laws, state historic preservation, and prevailing wage. Note that IHDA may audit files submitted for reimbursement under this Program at any point during the Program term.

SCORING (100 POINTS TOTAL)

Applications will be ranked against other applications to determine points to be awarded. Answers should fit in the provided space within the application. If there is no answer for a specific question, please explain why; do not leave it blank. Questions with no response will be considered a non-response and awarded zero points.

- 1. NEED MAXIMUM 20 POINTS
- 2. CAPACITY MAXIMUM 20 POINTS
- 3. IMPACT MAXIMUM 20 POINTS
- 4. BUDGET AND COST REASONABLENESS MAXIMUM 20 POINTS
- 5. READINESS TO PROCEED MAXIMUM 20 POINTS

APPLICATION FEE

IHDA will not charge a fee for processing applications under this Program.

APPLICATION

A completed application and all supporting attachments must be received by June 7, 2023, at 3:00 p.m. CST. All materials must be submitted through the Jotform application; no hard copies will be accepted. Please direct all questions to SCPinfo@ihda.org.

The Illinois Housing Development Authority will be hosting application/technical assistance seminars via webinar. Please visit https://www.ihda.org/-community/revitalization-programs/ and look for emails from SCPinfo@ihda.org for future information regarding the time and dates of webinars.