

February 26, 2009

Regional Commissioners, Municipal Planning Officers and Other Interested Parties:

As you are aware, the American Recovery and Reinvestment Act ("ARRA"), which will provide federal stimulus funding, was signed into law by President Obama on February 17, 2009. This funding includes an additional \$1 billion in Community Development Block Grant (CDBG) program funds to be distributed across states (and the existing HUD-designated entitlement communities within states).

The ARRA act stipulates that the existing CDBG program formula for distributing funding will be applied when distributing the CDBG stimulus funding. As a whole, Illinois can expect approximately **\$48 million** dollars in CDBG stimulus funding. The State of Illinois' program will receive \$8,585,276 in CDBG stimulus funding, with the remaining balance of approximately \$39 million to be distributed to the various HUD entitlement communities in Illinois to directly administer the funding for these communities.

Illinois is reaching out to the US Department of Housing and Urban Development (HUD) to better understand what additional guidelines, if any, are required and the expected timeframe for receiving these funds. **Illinois will submit an action plan for public review and comment once HUD has provided this guidance. After HUD's approval of the state's action plan, the Illinois Department of Commerce and Economic Opportunity (DCEO) will post CDBG stimulus application guidelines for public access.**

The Governor has created an Illinois stimulus tracking website at **Recovery.Illinois.gov** that provides information about the stimulus funding Illinois can expect, and various requirements for awarding project grants, and/ or receiving individual support and services. We expect to have an understanding of the timeframe for receiving funding and all criteria for awarding CDBG grants in the upcoming weeks.

In the meantime we encourage you and your constituents to regularly visit Governor Quinn's newly established Illinois stimulus **Recovery.Illinois.gov** website for continued updates about the stimulus funding.

Sincerely,

Maureen Palmer
Bureau of Community Development
IL Dept. of Commerce and Economic Opportunity (DCEO)
(217) 785-6174 (Springfield office)
(312) 814-5701 (Chicago office)

Internet Address <http://www.commerce.state.il.us>

620 East Adams Street
Springfield, Illinois 62701-1615
217/782-7500
TDD: 800/785-6055

James R. Thompson Center
100 West Randolph Street, Suite 3-400
Chicago, Illinois 60601-3219
312/814-7179
TDD: 800/785-6055

2309 West Main, Suite 118
Marion, Illinois 62959-1180
618/997-4394
TDD: 800/785-6055