**Section 110.210 Purpose**

a) The Department is responsible for the administration and management of the CDAP. For the purpose of this program, the Department establishes grants with eligible units of local government throughout the State pursuant to Subpart A of this Part. Proceeds from those grants may be used to extend financial assistance to private for-profit or not-for-profit entities.

b) In accordance with Title I of the Housing and Community Development Act of 1974 (Act) (42 USCA 5301), the Department may permit grantees to retain the payments, including principal and interest, that may be generated from financial assistance made through the CDAP as long as those funds are deposited into a local revolving fund (RF) for economic development and the grantee has an approved recapture strategy (RF Plan or Recapture Strategy Plan).

c) The primary objective of CDAP-funded revolving funds (RF) is to enable grantees to carry out local economic development activities in a way that will expand economic opportunity, principally for low and moderate-income persons. Each RF project shall result in private sector job creation or retention. At least 51% of such jobs shall be filled or retained by persons of low and moderate-income.

d) The purpose of this Subpart is to provide rules governing and relative to the administration of local RFs funded through the CDAP.

(Source: Amended at 28 Ill. Reg. 13468, effective September 23, 2004)