

Community Development Block Grants (CDBG)

National Objectives

In order to be eligible for funding, every CDBG-funded activity must meet one of the three national objectives of the program:

- Benefiting low-and-moderate-income persons,
- Preventing or eliminating slums or blight, or
- Meeting other community development needs having a particular urgency because existing conditions pose a serious and immediate threat to the health or welfare of the community and other financial resources are not available to meet such needs.

In addition, the statutes require that at least 70% of the funds expended over a one, two, or three year period (selected by the County) must be used for activities benefiting low-and-moderate income persons

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Types of Eligible Activities

CDBG funds may be used for activities which include, but are not limited to:

- acquisition of real property;
- relocation and demolition;
- rehabilitation of residential and non-residential structures;
- construction of public facilities and improvements, such as water and sewer facilities, streets, neighborhood centers, and the conversion of school buildings for eligible purposes;
- public services, within certain limits;
- activities relating to energy conservation and renewable energy resources; and
- provision of assistance to profit-motivated businesses to carry out economic development and job creation/retention activities.

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Ineligible Activities

Generally, the following types of activities are ineligible:

- acquisition, construction, or reconstruction of buildings for the general conduct of government;
- political activities;
- certain income payments; and
- construction of new housing by units of general local government.

Community Development Block Grants (CDBG) – HOME Program

The intent of the program is to:

- Provide decent affordable housing to lower-income households,
- Expand the capacity of nonprofit housing providers,
- Strengthen the ability of state and local governments to provide housing, and
- Leverage private-sector participation

Community Development Block Grants (CDBG) – HOME Program

Types of Eligible Activities

HOME funds may be used for activities that include, but are not limited to:

- Homeowner Rehabilitation – HOME funds may be used to assist existing owner-occupants with the repair, rehabilitation, or reconstruction of their homes.
- Homebuyer Activities – may finance the acquisition and/or rehabilitation or new construction of homes for homebuyers
- Rental Housing – affordable rental housing may be acquired and/or rehabilitated, or constructed.
- Tenant-Based Rental Assistance (TBRA) – financial assistance for rent, security deposits and, under certain conditions, utility deposits may be provided to tenants.

15% of HOME funds received annually must be set-aside for Community Housing Development Organizations (CHDOs). A CHDO is a private, nonprofit organization that meets a series of prescribed qualifications

Questions?

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