

U.S. Department of Housing and Urban Development (HUD)

Community Development and Block Grant Program

Minot, North Dakota

May 6, 2024



Overview of CDBG Program

The primary objective of CDBG is the development of viable urban communities, *principally for low/mod persons*, through:

- Decent housing
- Suitable living environment
- Expanded economic opportunity

Each funded activity must meet one of three national objectives:

- 1) benefits low- and moderate-income individuals,
- 2) aids in the prevention or elimination of slums or blight, or
- 3) addresses an urgent need that poses a serious and immediate threat to the health or welfare of the community which occurred within the last 18 months and for which other funding is not available.

Overview of CDBG Program

Core Principles

- Benefit low- and moderate- income persons and communities
- Community Participation
- Leveraging and Partners
- Strategic and Targeted Investment

Utilizing Funding

5-Year Consolidated Plan and Annual Action Plan

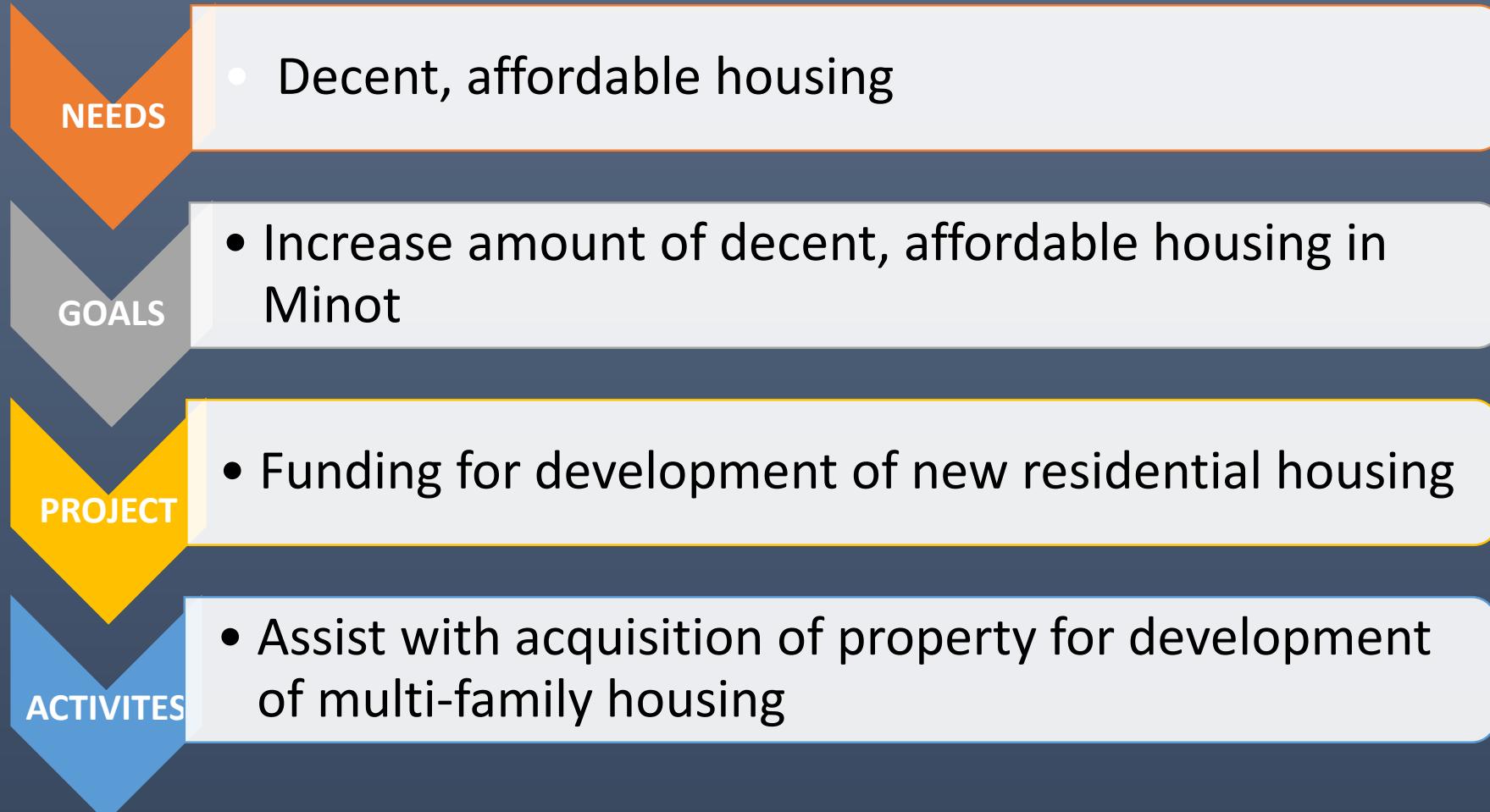
- Needs determine activities and organizations to fund
- Consolidated Plan Components
 - Housing Needs Assessment
 - Market Analysis
 - Five-Year Strategic Plan - Funding
 - Annual Action Plan – Funding

Separate Document:
Analysis of Impediment (AI) to Fair Housing Choice

Utilizing Funding



Utilizing Funding



CDBG National Objective

- Each activity MUST meet at least one:
 - Benefit primarily low and moderate income persons
 - Area
 - Limited clientele
 - Housing
 - Jobs
 - Aid in the prevention/elimination of slum & blight
 - Urgent Need – This is rarely used with standard entitlement funds

Low & Moderate Income Objective

- Most common objective is Low and Moderate Income
 - At least 51% of program beneficiaries must be low or moderate income
 - HUD defines low income as household income equal to or less than 50% of median income
 - HUD defines moderate income as household income equal to or less than 80% of median income

CDBG Beneficiaries

- Activities affecting **multi-family structures or public facilities**, including infrastructure must guarantee at least 51% low and moderate income benefit
- Those activities targeting **single family developments** must serve 100% low and moderate income.
- **No project is eligible if there is not at least 51% low to moderate benefit.**

CDBG Funding Categories

- Local Program Usage Caps:
 - **Public Service** (15% cap)
 - **Planning & Administration** (20% cap)

CDBG Eligible Public Service/Activities

Including but not limited to:

- Services for homeless persons
- Drug abuse counseling & treatment
- Services for victims of domestic violence
- Services for persons with disabilities
- Child care
- Healthcare
- Fair Housing activities
- Services for senior citizens

CDBG Public Service Activities

- Majority of Public Service Activities are Affiliated with “Low-Mod Income” (LMI) **National Objective** and “Low-Mod Limited Clientele” (LMC) **Activity**
- Low-Mod Clientele (LMC) Activities must meet criteria / fit into a documentation categories:
 - Serve at least 51% LMI as evidenced by **documentation regarding family size and income**
 - Be part of service or **program that has income-eligible requirements** for LMI populations only as documented through program or agency policies or administration procedures, income limits, etc.
 - Serve a group that is **presumed** to be low-mod such as elderly, homeless, domestic violence victims, etc.
 - Be of a **nature and location** that LMI clientele are served

CDBG Eligible Project Use Activities

- Acquisition
- Clearance of sites
- Reconstruction/rehabilitation of homes or other property
- Construction of public facilities & improvements (water and sewer facilities, streets, neighborhood centers)
- Assistance to low-income homebuyers in purchasing a home

CDBG Ineligible Activities

■ Completely Ineligible Activities

- Buildings used for the general conduct of gov't
- General government expenses
- Political activities

■ Generally Ineligible Activities

- Purchase of equipment
- Operating and maintenance expenses
- Construction of new permanent residential structures
- Direct Income Payments

Questions?
Thank You

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