

One Page Summary of the Community Development Block Grant Program (CDBG)

The federally funded CDBG program was authorized under Title I of the Housing and Community Development Act of 1974, as amended, in order to consolidate eight competitive programs in to one formula-based entitlement program for communities around the country.

The primary objective of the CDBG program is to primarily benefit persons of low and moderate income; by funding projects and programs that provide decent housing; a suitable living environment; and expand economic opportunities.

CDBG funds may be used for community development activities (such as real estate acquisition, relocation, demolition, rehabilitation of housing and commercial buildings), construction of public facilities and improvements (such as water, sewer, and other utilities, street paving, and sidewalks), construction and maintenance of neighborhood centers, and the conversion of school buildings, public services, and economic development and job creation/retention activities. CDBG funds can also be used for preservation and restoration of historic properties in low-income neighborhoods.

CDBG regulations limits the amounts that can be spend public service programs, planning/administrative programs, and slum and blight projects. Respectively, the limits are 15%, 20% and 30%.

CDBG funds may not be used for improvements to buildings used for the general conduct of government; government expenses; political activities; new housing construction; income payments; furnishings, equipment or personal property; and, operating expense for public facilities.

The CDBG program requires communities to develop a 5-year plan called the Consolidated Plan to direct the spending of CDBG funds and ensuring that proposed projects are aligned with the community's most urgent needs. Each year communities develop an Annual Action Plan (AAP) the uses the Consolidated plan goal in determining the activities to be funded for that year. At the end of each year the City reports its accomplishments in the Consolidated Annual Performance and Evaluation Report (CAPER). The Consolidated Plan, Annual Action Plan and Consolidated Annual Performance and Evaluation Report require that public meetings be held to solicit input from the community.

CDBG Low-Moderate Income Limits for 2009

Household Size	1	2	3	4	5	6	7	8
30% of median	\$17,900	\$20,450	\$23,000	\$25,550	\$27,600	\$29,650	\$31,700	\$33,750
Very Low-Income	\$29,800	\$34,050	\$38,300	\$42,550	\$45,950	\$49,350	\$52,750	\$56,150
Low-Income	\$44,800	\$51,200	\$57,600	\$64,000	\$69,100	\$74,250	\$79,350	\$84,500