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Community Development Block Grant Program

- [CDRS Policy Manual](#)
- [CDBG Program Manual](#)

What is the Community Development Block Grant Program?

The Community Development Block Grant program is a federal program that began operation in 1974, making it one of the longest running programs by the U.S. Department of Housing and Urban Development (HUD). It is the principal federal program providing States and Local Governments grants to devise innovative and constructive approaches that improve the physical, economic, and social conditions within communities. These improvements primarily benefit persons of low and moderate income.

National Objectives

The primary National Objective of the Community Development Block Grant (CDBG) Program is the “development of viable urban communities by providing decent housing and a suitable living environment, particularly for persons of low and moderate incomes.” Section 102(a)(20) of the Housing and Community Development Act of 1974 defines the term ‘low-and moderate income persons’ as families and individuals whose incomes are no more than 80 percent of the median income of the area involved (refer to page 10 of this manual for current HUD income limits). All project proposals submitted for funding through the CDBG Program must document the achievement of at least one of the following National Objectives:

- Primarily benefit low and moderate income persons
- Aid in the prevention or elimination of slums or blight

Project Eligibility

There are a wide range of projects that may be eligible for funding through the use of CDBG funds, as long as the program meets the National Objectives as previously outlined. CDBG funds may NOT be used for activities which do not meet these broad national objectives.

- Projects that can be undertaken with CDBG funds include but are not limited to:
 - Relocation and demolition
 - Rehabilitation of residential and non-residential structures
 - Rehabilitation 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
- Provision of assistance to profit-motivated businesses to carry out economic development and job creation/retention 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
- Construction of new housing by units of general local government

- Removal of architectural barriers in school buildings
- Environmental and health hazard clean-up associated with a project site except for lead based paint
- Payment of rent, utilities, or maintenance in a municipality owned facility