



CDBG/CDBG-CV

***HUD, Office of Block Grant Assistance
Entitlement Communities Division***



OTHER CDBG ELIGIBLE ACTIVITIES



OTHER CDBG-ELIGIBLE ACTIVITIES

- There are other CDBG eligible activity options, including:
 - Privately-Owned Utilities
 - Interim assistance
 - Relocation
 - Loss of rental income
 - Technical assistance
 - Assistance to institutions of higher learning
 - Payment of non-federal share
 - Urban renewal completion

PRIVATELY OWNED UTILITIES

- Covers utilities owned by private company not public agency
- Activities include:
 - Acquisition
 - Construction
 - Reconstruction
 - Rehabilitation
 - Installation



PRIVATELY OWNED UTILITIES (CONT.)

- Utilities include: electricity, telephone, water, sewer, natural gas, television cable, broadband
- Must be publicly regulated company
- Must meet a national objective:
 - Area LMI
 - Possibly LMI job creation
 - Slum blight area
 - Possibly urgent need

ELIGIBLE INTERIM ASSISTANCE ACTIVITIES

- Interim assistance is a short-term program typically related to essential services or repairs
- These activities are usually coupled with an Urgent Need
- CDBG may be used to pay for interim assistance under two circumstances:
 - Immediate action is necessary until something permanent is done
 - Emergency conditions threaten health/safety

RELOCATION

- Must comply with the Uniform Relocation Act and Section 104(d) of the Housing and Community Development Act of 1974.
- May pay for:
 - Temporary relocation
 - Permanent relocation
- May be related to CDBG-assisted project or other activity.

RELOCATION (CONT.)

- National objective depends on whether relocation is voluntary or required
- If required under URA:
 - Meets a LMI national objective if the associated CDBG project meets national objective
- If voluntary:
 - Can qualify based on re-use of the property OR
 - Income of assisted recipients
 - Activity itself does not need to meet national objective

LOSS OF RENTAL INCOME

- Used to compensate owners for loss of rental income due to CDBG activities
 - Used while holding units pending relocation of displaced households
 - Not used to simply cover on-going rental losses
- National objective based on objective for original CDBG activity

TECHNICAL ASSISTANCE

- Can be used to pay for TA to increase capacity to do neighborhood revitalization or economic development
 - Only for public and nonprofit entities
- Must determine eligibility of activity for which building capacity
- National objective is based on eligible activity related to the TA
 - Must ensure that resulting activity will meet national objective

INELIGIBLE CDBG AND CDBG-CV ACTIVITIES

- Regulations expressly prohibit:
 - Buildings for conduct of government
 - For example, city hall improvements
 - Exception for removal of arch. barriers
 - General government expenses
 - For example, normal trash pick-up or operating the city's tax collection department
 - Political activities
 - Includes any cost related to political campaigns, including “get out the vote” drives



INELIGIBLE ACTIVITIES (CONT.)

The following are generally not allowed, except under specific circumstances:

- New housing construction
- Income payments
- Purchase of equipment
- Operating and maintenance expenses



LEVERAGING CDBG-CV WITH CDBG FUNDS

- There is no statutory/regulatory requirement to leverage CDBG and CDBG-CV funds with each other or other funding sources.
- Grantees may leverage CDBG-CV funds with 2019 and 2020 CDBG funds for activities to address coronavirus.
- Grantees may also leverage CDBG-CV assisted activities with other years' CDBG funds (e.g., 2017, 2018, 2021, 2022), provided that the more stringent program requirements are met.