

Using CDBG Funds as a Local Match for Another Federal Program

February 6, 1995

Honorable Jaime Zukowski
Mayor of Thousand Oaks
Thousand Oaks, CA 91362-2903

Dear Mayor Zukowski:

On behalf of Secretary Cisneros, thank you for your letter of February 6, 1995, regarding the use of Community Development Block Grant (CDBG) funds as a local match for the "COPS-AHEAD" program included in the Crime Bill administered by the Department of Justice. As the Deputy Assistant Secretary for Grant Programs in the Office of Community Planning and Development, I have been asked to respond to your inquiry.

Specifically, you have requested that the Department of Housing and Urban Development (HUD) permit CDBG funds to be used as a match for the COPS-AHEAD program, but not consider this as a public service activity under the CDBG program. Although CDBG funds may be used as a local match for the COPS-AHEAD program, the use of CDBG funds for this (or any) purpose must meet the requirements of the CDBG program. This means that the activity must be eligible under one of the categories of activities that are identified as eligible under the CDBG statute. In reviewing these activity categories, the only one under which the payment of the salaries of police officers for crime prevention may be classified is as a public service.

As an alternative course of action, you have asked that HUD direct that the limitation on public service activities be raised from 15 percent to 25 percent. However, HUD does not have the authority to authorize such a change because this limitation is statutory. Section 105(a)(8) of the Housing and Community Development Act of 1974, as amended, establishes 15 percent as the amount a grantee may use for public service activities. An amendment to this section of the statute in the National Affordable Housing Act (approved November 28, 1990), provided that grantees may include program income in the calculation of the public services cap. Based on this, the CDBG regulations were amended effective July 17, 1992, to permit grantees to include 15 percent of the previous year's program income in this calculation. However, given the language in the statute, HUD is not able to provide additional relief to grantees from the public services cap.

HUD recognizes that many communities are facing new and difficult challenges as a result of reductions in various Federal and State programs, but this Office was unable to identify any other options under which this activity could be assisted under the CDBG program. The Department regrets that a more positive response cannot be provided.

Very sincerely yours,
(signed)

Kenneth C. Williams
Deputy Assistant Secretary for Grant Programs

