



Community Development Block Grant for Public Services



CDBG NATIONAL OBJECTIVES OVERVIEW



CDBG National Objectives

The CDBG program is designed for states and local governments to develop viable communities, provide suitable living environments, and expand economic opportunities.

These CDBG activities are required to meet on the three national objectives:

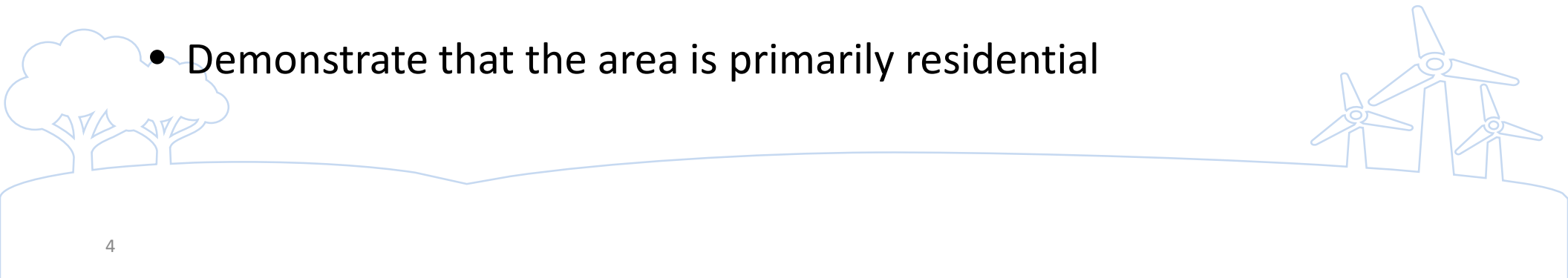
- Benefit low-and moderate income (LMI) persons
- Prevention or elimination of slum/blighted areas
- Meet an urgent need



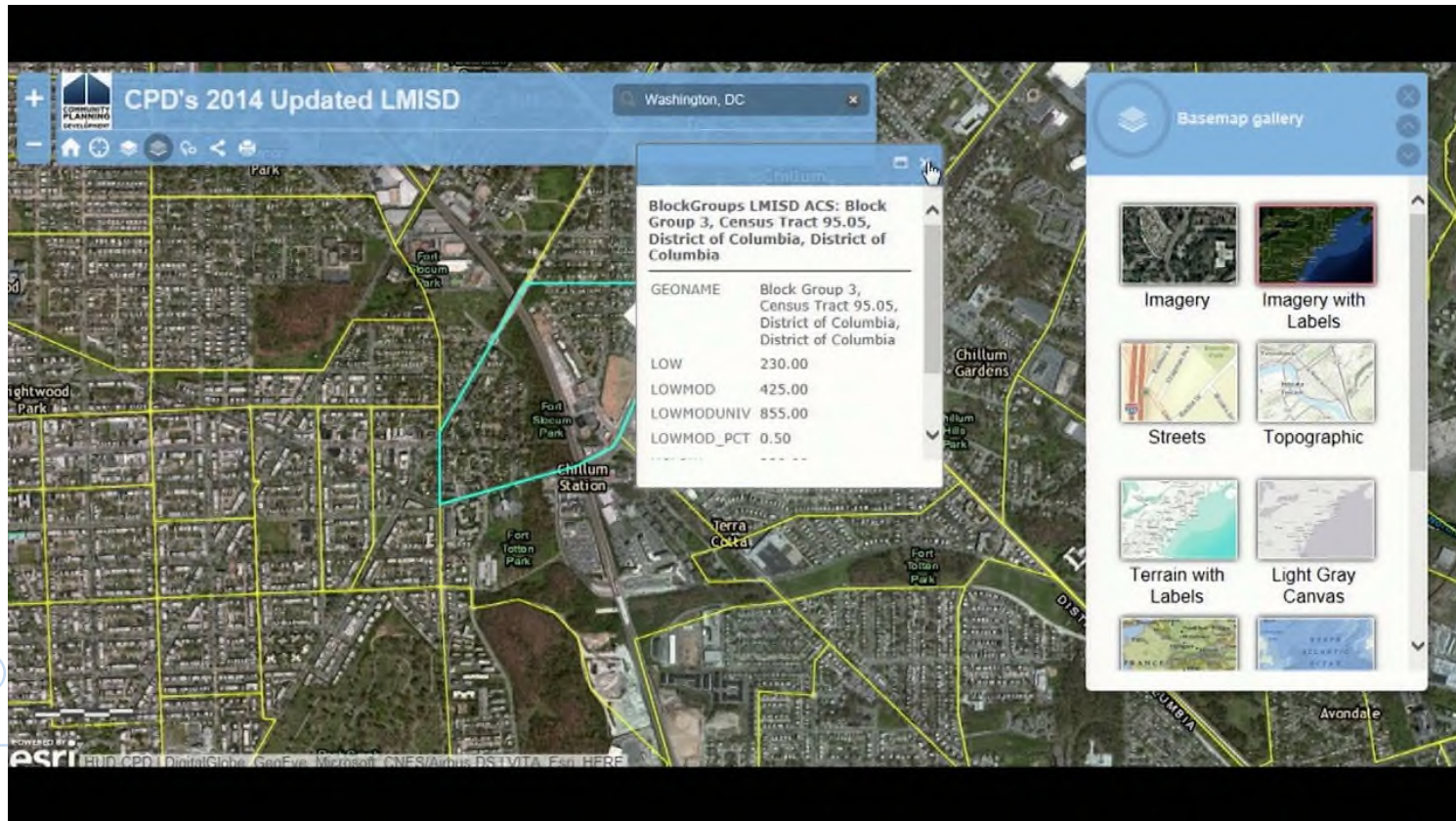
Area Benefit

Guidelines

- Identify boundaries of the service area(s)
- Demonstrate that at least 51% of people living in the area(s) have low or moderate incomes
- Demonstrate that the area is primarily residential



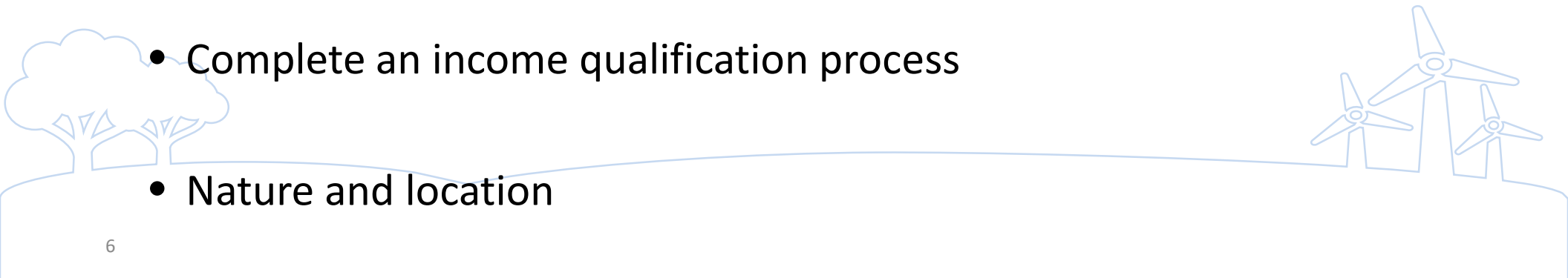
LMI Data Map Application



Limited Clientele

Guidelines

- Document the income of the LMI persons assisted by the service
- Demonstrate that at least 51% of the clientele are those whose income does not exceed the LMI income limit
- Complete an income qualification process
- Nature and location



National Objective + Eligible Activity = CDBG Project

**Needs to meet a
National Objective**



**Needs to fund an
eligible activity**



PUBLIC SERVICES OVERVIEW



Public Service Activities

Eligible Public Service Activities

- Child Care
- Health care
- Job Training
- Recreational Programs
- Education Programs
- Public safety services
- Fair Housing Activities
- Services for senior citizens
- Services for homeless persons
- Drug abuse counseling & treatment
- Energy conservation counseling & testing
- Homebuyer down payment assistance
- Emergency assistance payments
- Eligible operating expenses



Public Services Eligibility

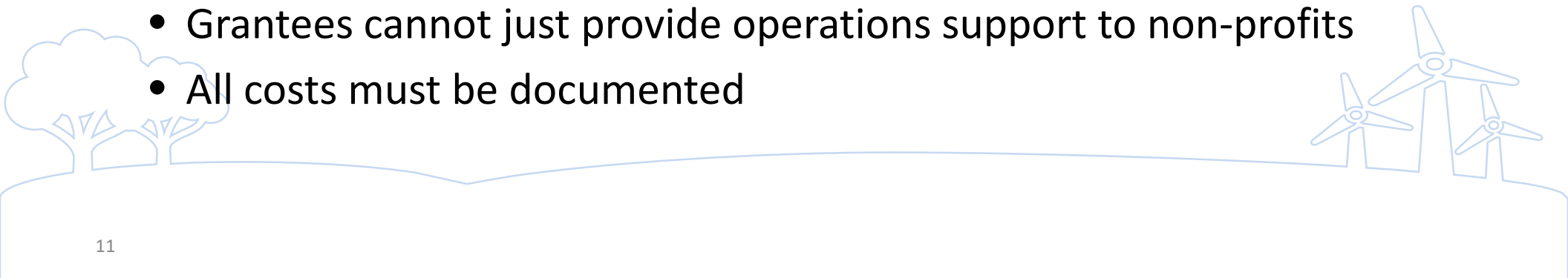
The service must be:

- A new service OR a quantifiable increase in the level of an existing service that has been provided by the grantee or another entity on its behalf with local government funding (or funding from the state to their local government) in the twelve months preceding the submission of an Action Plan

***Note: This restriction does not mean that a currently funded service organization needs to do more each year.**

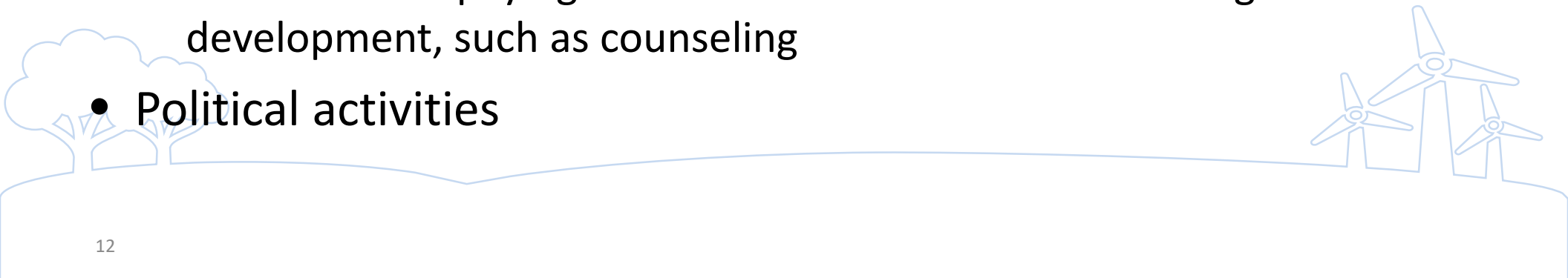
Eligible Public Service Costs

- CDBG funds may be used to pay for labor, supplies, and materials
- CDBG funds may pay for operations and maintenance of the facility where a public service occurs
- Payments must be directly related to the provision of eligible services
 - Grantees cannot just provide operations support to non-profits
 - All costs must be documented



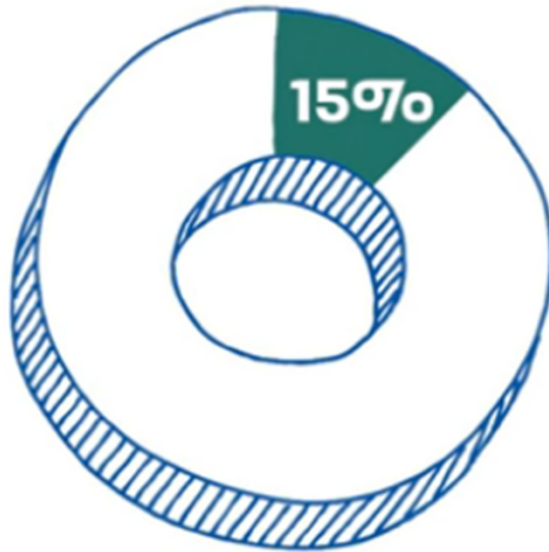
Ineligible Public Service Costs

- Income payments, EXCEPT:
 - Emergency grant payments, OR
 - Payments made direct to a provider
- Ongoing operations as a stand-alone service
 - i.e. rent, utilities, or other income payments
 - Different than paying to offer a service within the housing development, such as counseling
- Political activities



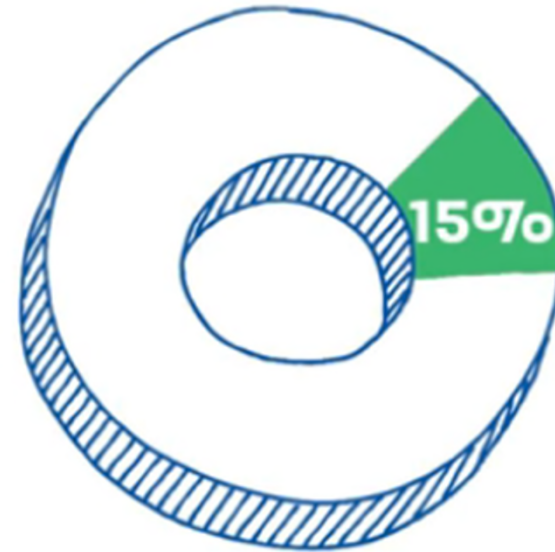
States Public Service Spending

State's yearly allocation



+

Program income received during the current program year



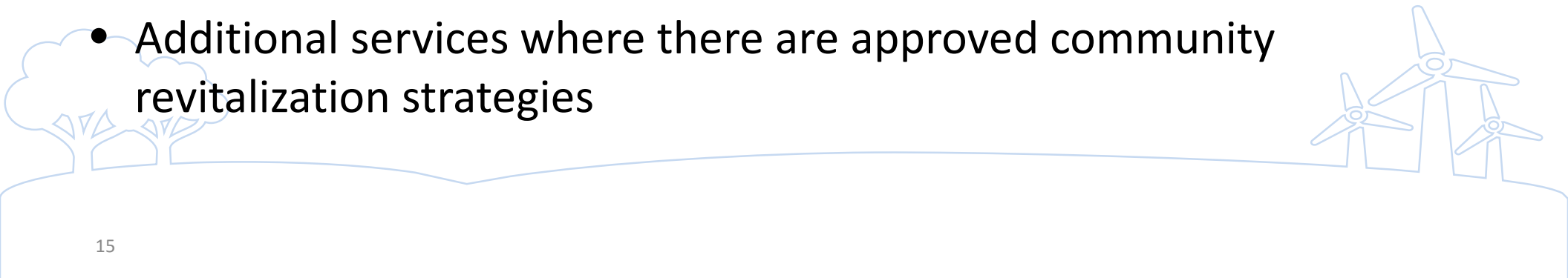
State Spending Example

Public Services Cap Calculation Example

State grant amount	\$15,000,000
Program income received	+ 300,000
Total	\$15,300,000
Multiplied by 15%	x 0.15
Equals maximum that can be obligated for public services	\$2,295,000

Public Service Cap Workaround

- Support services to microenterprises under Section 105(a)(22)
- Services under Section 105(a)(15) to increase economic opportunities through job training/placement, counseling, child care, transportation, etc.
- Additional services where there are approved community revitalization strategies



Public Services & Child Care

Determining if Child Care qualifies as an Area Benefit or Limited Clientele Activity

Issue for Consideration	If an Area Benefit Activity	If a Limited Clientele Activity
Who will the service be provided to?	All residents of a LMI area (i.e., an area with 51% LMI persons)	A limited group of persons, either LMI or presumed to be LMI, regardless of where they live
Where will the service be provided?	In a particular neighborhood	Not specific; the activity could be offered to more than one neighborhood or city-or county-wide
What are the income levels in the area where the service will be delivered?	At least 51% LMI persons in the area	N/A; eligibility is based on clients served (at least 51% of LMI persons)



CDBG Resources

[CDBG 101: Overview of National Objectives & Eligible Activities](#)

[CDBG Low and Moderate Income Map Overview](#)

[CDBG Low and Moderate Income Map Application](#)

[CPD Income Eligibility Calculator Manual](#)

[CPD Income Eligibility Calculator](#)

[CDBG Eligible Activities Appendix A](#)

[CDBG for States Overview](#)

[CDBG for Entitlements Overview](#)

[How to use CDBG Funds for Public Services Activities](#)

[Basically CDBG– Public Services](#)

THANK YOU

