



# CDBG

Improving Lives and Strengthening Communities



REPORT BY THE CDBG COALITION  
November 2023

## Introduction and Purpose of the Report

Administered by the U.S. Department of Housing and Urban Development (HUD), the Community Development Block Grant (CDBG) program invests in our nation's communities by supporting activities for low-to-moderate income populations. CDBG reaches every corner of the country from urban cities to rural towns and populations in between. Funding is directed to all states, territories, and congressional districts annually. It remains one of the most important resources for state and local governments and their program partners to use in devising flexible solutions to meet community development needs. CDBG has been critically underfunded and program grantees now contend with less funding to undertake community improvements and development.

This report serves to inform stakeholders of the impact and importance of CDBG to community advancement and success.

## COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) COALITION



The CDBG Coalition consists of 32 national organizations which recognize the importance of the CDBG program in empowering and transforming people and places. The organizations represent elected officials, state and local government agencies, non-profit organizations, and advocates. The Coalition supports increased annual program funding for CDBG.

American Library Association  
American Planning Association  
Council of Large Public Housing Authorities  
Council of State Community Development Agencies  
Enterprise Community Partners  
Feeding America  
Habitat for Humanity International  
Heartland Alliance  
Housing Assistance Council  
International Code Council  
International Economic Development Council  
KABOOM!  
Local Initiatives Support Corporation  
National Association for County Community and Economic Development  
National Association for Latino Community Asset Builders  
National Association of Counties  
National Association of Development Organizations  
National Association of Housing and Redevelopment Officials  
National Association of Local Housing Finance Agencies  
National Association of Regional Councils  
National Community Development Association  
National League of Cities  
National Main Street Center  
National NeighborWorks Association  
National Recreation and Park Association  
National Rural Water Association  
National Urban League  
Rebuilding Together  
Rural Community Assistance Partnership  
The Trust for Public Land  
U.S. Conference of Mayors  
YWCA USA

## What is CDBG?

The Community Development Block Grant (CDBG) is a grant program administered by the U.S. Department of Housing and Urban Development that provides resources to state and local governments and their local partners to fund a wide range of community development projects, principally for low- and moderate-income people. Most funds are dedicated to a mixture of large, mid-size, and somewhat smaller localities (70%) while states receive remaining funds (30%) to serve rural communities. CDBG program funds can be used for a host of activities that include, infrastructure (public facilities and improvements), affordable housing, economic development, and public services. Each activity must meet one of three national objectives: (1) benefit low- and moderate-income people; (2) address urgent health and safety needs in the community; or (3) eliminate slums and blight.

## Who Benefits?

Low- and moderate-income people are the direct program beneficiaries. States and entitlement cities and counties receive direct program allocations. Small, rural communities receive assistance through their state. Nonprofit organizations, contractors, and other local partner organizations serve as program subrecipients to deliver local CDBG activities. State and local governments work with their local program partners and harness input from the public to develop community development programs that invest in low- and moderate- income people and neighborhoods.

## How is CDBG Used and Why is it Needed?

CDBG funds are used to provide improvements and services to neighborhoods and provide a better quality of life for program beneficiaries in need. The funds are often combined with other federal, state, and local resources to make projects whole.

As mentioned previously, CDBG program funds can be used for a host of activities that include affordable housing, infrastructure and public facility improvements, economic development, and social services. Each activity must meet one of three national objectives: (1) benefit low- and moderate-income people; (2) address urgent health and safety needs in the community; or (3) eliminate slums and blight.

CDBG has meaningful impact in low- and moderate-income communities, improving infrastructure, preserving affordable housing, providing important services for the well-being of community residents, and supporting economic development.

### ***Improving Infrastructure***

CDBG funds are used to improve and install essential infrastructure in low- and moderate-income communities. These communities consistently lack adequate roads,

streets, sidewalks, and street lighting. Well-maintained roads and streets provide accessibility to other amenities, promote safety, and contribute to the improvement of neighborhoods.

Low-income communities oftentimes have inefficient water and wastewater systems. Many systems in place today were built decades ago with outdated materials such as cast iron and lead. CDBG funds are used to modernize these systems.

Neighborhood facilities such as libraries, recreational facilities, parks and playgrounds, youth centers, and senior centers contribute to individual well-being. They promote mental and physical development, socialization, and inclusivity. In lower income communities, these facilities are often lacking or are deteriorated. CDBG funds contribute to neighborhood assets and access to neighborhood networks through the installation and upgrade of these facilities.

### ***Preserving Affordable Housing***

Central to the health of all communities is housing quality and affordability. Attaining decent, affordable housing is difficult for many people, particularly low- and moderate-income households. Affordable housing is an eligible activity of the CDBG program through the preservation and development of single-family and rental units.

Single-family housing repair for low- and moderate-income people is the largest housing activity funded through the CDBG program. Blighted and deteriorated neighborhoods most often suffer from a lack of housing maintenance – both inside and outside of the home. These unaddressed housing issues can lead to health and safety concerns for the inhabitants. Residents living in lower-income neighborhoods oftentimes lack the ability to pay for housing repairs. Seniors are often on very low fixed incomes and other residents may desire to improve their homes but lack direct financial resources to do so or are unable to obtain financing through traditional sources. The CDBG program preserves affordable housing by helping seniors and other low-income people repair and remain in their homes at a very low cost – or at no cost to them.

### ***Providing Supportive and Preventative Services***

Public services are necessary for the well-being of any community, serving to maintain quality of life and address critical needs. CDBG funds are used to meet community service needs, including the needs of specific populations, such as the elderly and children. Some public services exist to address immediate problems such as food for the hungry, support for homeless shelters, and health care assistance for those in need. Providing core services to low- and moderate-income people serves to enhance lives and the quality of life of the overall community.

### ***Supporting Economic Development***

CDBG funds are used to support local economic development through small business assistance, commercial rehabilitation, and special economic development activities.



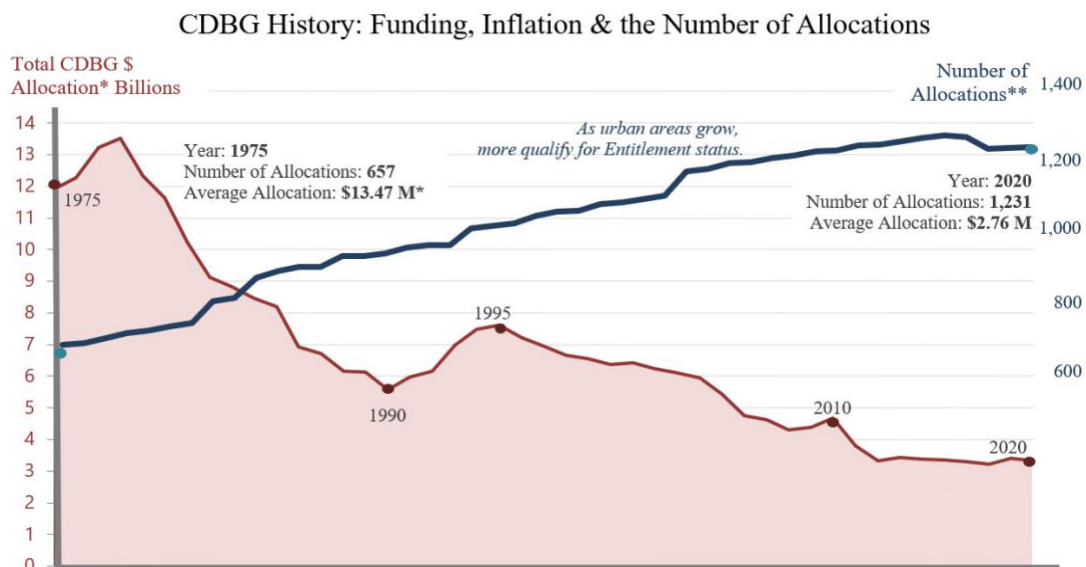
Small businesses are an important job provider and are especially critical to economically impacted communities in providing goods and services. CDBG assistance can be directed at activities to develop and sustain financially stronger business enterprises. Some grantees use their CDBG funds to support microenterprises; very small businesses with 5 or fewer employees. These small businesses are led by low- and moderate-income people and typically serve a specific need of the community.

### Program Funding

While the need for program funding continues to increase, as shown by the increase in eligible program grantees in the chart below, funding has significantly diminished since the inception of the program.

**CDBG funding has declined in recent decades**  
with the program's latest appropriated level - \$3.3 billion in FY23 –  
\$150 million less than in FY21 and far less than  
its highest mark of \$4.5 billion in FY95.

As a result, fewer funds are available to meet operating costs and drive local solutions to public-wide challenges.



\*Each Total Annual Allocation from 1975 to 2020 has been adjusted for inflation to the value of the dollar in 2020 by using the annual average Consumer Price Index for the corresponding years. <http://www.bls.gov/cpi>.

\*\* For the years 1975 through 1982, the data include 51 annual allocations for the Small Cities program, the predecessor to the State CDBG Program, which later began in 1983.

\*\* The number of actual grant agreements executed by HUD is typically less than the number of allocations because grantees form approximately 35 joint grant agreements per year.

# Using CDBG for Public Facilities and Improvements

CDBG helps communities fund the acquisition, construction, reconstruction, rehabilitation, and installation of public facilities and infrastructure. These include publicly owned infrastructure such as water and sewer systems and buildings owned by non-profit organizations that are open to the public and provide important community services. Overall, these activities received the highest amount of program investment among eligible categories.

**Since FY2005, CDBG funded infrastructure activities  
have directly benefitted nearly 54 million people.<sup>1</sup>**

Examples of public facilities and improvements funded with CDBG include senior centers, facilities for persons with disabilities, homeless facilities, youth centers, childcare centers, neighborhood facilities (libraries, community centers, food banks, workforce centers, etc.), facilities for abused and neglected children, parks and recreational facilities, fire stations and equipment, health facilities, solid waste disposal facilities, flood and drainage facilities, water and sewer improvements, street improvements and sidewalks, among other public improvements.<sup>1</sup>

## Public Facilities

Place-based community facilities play an important role in connecting residents to various support and activities.

### Benefits:

- Senior centers, youth centers, neighborhood facilities, and recreational centers provide safe spaces for community residents to connect.
- These facilities provide educational opportunities for people to learn new skills and activities.
- These facilities are often used to connect people to local social services.
- Health facilities provide free or low-cost medicine and treatment to low- and moderate-income people and help to advance health equity.
- Food banks provide nourishment and other support to low-income households.
- Daycare facilities allow low- and moderate-income families to continue to work, seek employment, or continue their education. These facilities provide learning and growth support for children.
- Homeless facilities provide temporary housing to stabilize families and assist them in obtaining permanent housing and other support.

---

<sup>1</sup> U.S. Department of Housing and Urban Development, FY2005-22 National CDBG Expenditure Report.



### **Hempstead Lake State Park Education Center West Hempstead, NY - NY-4**

The Environmental Education and Resiliency Center at Hempstead Lake State Park is a \$8.7 million 8,000 square foot center constructed in collaboration with the Governor's Office of Storm Recovery and the New York State Office of Parks

Recreation and Historic Preservation. The center is part of a \$35 million investment by the State of New York and HUD included in the larger \$125 million Rebuild by Design – Living with the Bay Project that aims to reduce flood risk, improve water quality, and enhance recreational access along the Mill River corridor in Long Island. The center provides year-round educational programming. The center will also serve as a command post for local disaster response coordination for first responders.



### **New Clay House Richmond, VA - VA-4**

**Funding Sources: CDBG (\$400,000 – City of Richmond, VA), CDBG (\$250,000 – Henrico County, VA), Other Sources (\$18 million)**

New Clay House was the first permanent supportive housing community in Virginia when it opened in 1992 using leased space in Richmond. It provided 47 units for homeless individuals or other low-income people in need

of supportive housing. By 2017, the small units needed updating and Virginia Supportive Housing, the non-profit that owns the facility, had the opportunity to purchase the building, ensuring that New Clay House remains as permanent affordable housing.

Using CDBG funds from the City of Richmond and Henrico County, along with a variety of other state funds, tax credits, and private donations, Virginia Supportive Housing was able to purchase the site and complete renovations and an expansion that increased the capacity to 80 units while converting the previous SRO (single room occupancy) units into studio apartments with private bathrooms and kitchens.

This example of regional cooperation has provided permanent supportive housing to over 80 individuals from across the Richmond metro area who were experiencing homelessness or earning below 50% of the Area Median Income. Of those who have been housed, 33 were considered chronically homeless upon entry and were provided long-term stable housing. The supportive services provided by Virginia Supportive Housing ensure that clients served remain in stable, permanent housing.





**Denise Louie Education Center  
Beacon Hill Neighborhood  
Seattle, WA – WA-9**

**Funding Sources: \$430,000 (CDBG)**

**Other Partners: Washington Early Learning Loan Fund, Washington Community Reinvestment Association**

In 2021, the City of Seattle Human Services Department (HSD) and the Office of Planning and Community Development (OPCD)

partnered to secure the future of Denise Louie's Beacon Hill location by awarding \$430,000 in federal CDBG funding to help the non-profit organization purchase property where their Beacon Hill childcare center is located. Prior to the purchase, Denise Louie had leased the Beacon Hill facility. The City's investment in Denise Louie's Beacon Hill location is part of a bigger story. When possible, Seattle leadership works to save successful community organizations from the negative aspects of gentrification. In the case of Denise Louie Beacon Hill, the former property owner had considered developing the site, which would have meant certain closure of the childcare center after years of operation in that location. Denise Louie Beacon Hill enrolls 95 children annually. The early learning center gives priority to children enrolled in Head Start. Children with Individual Education Plans (IEPs) are also given enrollment priority. Young children with IEPs have qualified for special education services based on development delays. Seattle is proud to have played a role in saving Denise Louie Beacon Hill, ensuring continuity of care for children and job security for staff for many years to come.

**Wastewater Treatment Plant Facility Improvements**

**City of Fredonia, KS - KS-2**

**Funding: CDBG (\$600,000), USDA Rural Development (\$15.8 million)**

The Kansas Department of Health and Environment (KDHE) issued a warning to the City of Fredonia that it was not complying with the limits of its wastewater utility's permit. The city reached an agreement and plan with KDHE to address the problems in the collection system, to refurbish equipment in the treatment plant, to install a holding basin at the treatment plant to hold extraneous flows for later processing, and to build a berm to protect the wastewater treatment plant from flooding. The system protects the environment and has critical facilities that will be resilient to severe weather, wet weather, and flooding events.



### **Arlington Workforce Center** **City of Arlington, TX - TX-6**

The City of Arlington, TX provided \$1.3 million in CDBG funds to help build the Arlington Workforce Center. The Center serves over 5,000 people annually with job training, job search, and career counseling.



### **Family Services Center** **New Port Richey, FL - FL-12** **CDBG Funding: \$1,560,682** **Partnerships: Coalition for the Homeless of Pasco County; Catholic Charities, Diocese of St. Petersburg**

The Family Services Center serves families experiencing homelessness who earn less than 50% of the area median income. This temporary residential housing facility is the first within Pasco

County that allows for the entire family to remain intact during their journey from homelessness to stability. CDBG funds were used to renovate the existing structure and to fund project operations.



### **Homeless Courtyard Resource Center** **City of Las Vegas, NV – NV-1** **CDBG: \$6,074,000; Other Funding: \$3.2 million (New Markets Tax Credit); \$10 million (Bonds)**

The Homeless Courtyard Resource Center is a facility that offers shelter, medical/mental health, legal assistance, income/benefits assistance, food, clothing, and employment services to homeless persons in Las Vegas, NV. Before the Center opened in 2017, the city lacked a

cohesive approach to serving the needs of the homeless and a facility to serve the homeless during the day. The city opened an expansion of the courtyard in 2022 that includes a covered sleeping area for up to 800 guests to have a safe place to go 7 days a week, 24 hours a day.



### **Calfee Community and Cultural Center Pulaski County, VA – VA-9**

Inspired by the proud legacy of Calfee Training School, the Calfee Community and Cultural Center is committed to serving the present needs of the community and creating a stronger future for Pulaski County, Virginia. The center will host educational programming, workforce training, and health and wellness services.

## **Water/Sewer Improvements**



One of the largest investments of CDBG in public improvements is water and sewer installation and upgrades. CDBG funds can be used to install new water pipes, water meters, fire hydrants, and other improvements and replace outdated system pipes and water meters and other infrastructure associated with these systems. CDBG grantees expended over \$375 million on water/sewer upgrades in FY2022.<sup>2</sup>

### **Benefits:**

- Water system installation and upgrades provide access to clean water.
- Clean water and sanitary sewer systems are crucial to disease prevention and good health.
- Water system installation and upgrades aid in the prevention of property loss by connecting neighborhoods to fire hydrants and increasing water flow.
- Water system upgrades help citizens save on utility bills by addressing pipe leakage and outdated meter systems.

### **Water System Improvements Project**

#### **Town of Caryville, FL – FL-2**

#### **Funding: CDBG Funds (\$600,000); USDA, Rural Utilities Fund (\$490,000)**

The Town of Caryville, FL had high-water loss due to leakage and old water meters. The Town's water pipes were composed mainly of cast iron and had reached the end of their useful life. System improvements funded through CDBG provided replacement of

<sup>2</sup> Ibid

approximately 9,000 linear feet of water main, replacement of water meters, and the addition of more fire hydrants. The system improvements will provide quality, reliable drinking water and increased fire flow to the citizens served by the water system. The water system supplies approximately 163 residential customers and 3 commercial users for a total of 166 connections to the water distribution system. Based on current census data for the Town of Caryville, the median household income is approximately \$14,808 with a poverty rate of 37.5%. The CDBG and USDA grants will keep residential usage rates reasonable and not put a burden on citizens.



### **Water System Improvements**

#### **Damascus, GA – GA-2**

**Funding: CDBG (\$600,000); Georgia Environmental Finance Authority (\$50,000), Private Funds (\$15,000)**

Damascus, GA faced a myriad of infrastructure problems - leaking water lines, water loss, low water pressure, no customer water meters, antiquated rate structure, and lack of fire hydrants. CDBG and other project funding added more fire hydrants, water meters, updated service lines and valves, and helped complete a rate study and updated billing system.

The improvements to the water system have multiple direct benefits to the city and residents served by the system, including better water pressure and fire protection and the benefits to

the city will be a huge reduction in water loss and more accurate billing. The project benefits 195 persons, of whom 146 (74.87%) are low to moderate income.

*"We appreciate all the work from the Southeast Rural Community Assistance Project and the other groups that contributed to our water system improvements. We could not have done this without good people and organizations that are dedicated to helping rural communities like Damascus." City of Damascus, GA, Mayor Morris Hayes*





**Elgood Water Expansion Phase IV**  
**Mercer County, WV – WV-3**  
**CDBG Funding: \$1,246,723; Private Funds**  
**(West Virginia American Water): \$576,376;**  
**Other Public Funding: \$2.9 million**

The Elgood Water Expansion project (Phase IV) provides safe and potable water to the residents of Mercer County and replaces the wells that are running dry and that have high iron and sulfur content. The project extends water services to 162 households.

## **Street and Sidewalk Improvements**

In FY2022 alone, CDBG grantees expended over \$273 million on street improvements and over \$84 million on sidewalk installations.<sup>3</sup> Streets, sidewalks and other infrastructure improvements connect people to neighborhoods, businesses, parks, services, and jobs. Communities use CDBG to provide greater accessibility, mobility, and connectivity by funding sidewalks, street improvements, curb ramps, detectable warnings, crosswalks, pedestrian bridges, and a myriad of other improvements. This includes installing infrastructure where none existed and improving existing infrastructure to promote safe, equitable access to neighborhood and community amenities.

### **Benefits:**

- Street and sidewalk improvements address neighborhood blighting conditions.
- Street and sidewalk improvements provide a pedestrian friendly environment for people to walk or bike to neighborhoods and local businesses.
- Street and sidewalk improvements help diminish pedestrian fatalities.
- Street and sidewalk improvements provide access to persons with disabilities (mobility impairment, visual/hearing impairment).
- Street and sidewalk improvements lead to improved water drainage.
- New and improved roads, streets, and other infrastructure can be an attraction for new business development and neighborhood investment.
- Streetlighting helps aid in the reduction of crime.

---

<sup>3</sup> Ibid





### **Logan Avenue Streetscape and Sidewalk Replacement - Tyrone Borough (Blair County), PA**

**PA-13**

**CDBG Funding: \$1.765 million; General Funds: \$191,360; Other Public Funds: \$160,446**

Existing sidewalks and street curbs along Logan Avenue in Tyrone Borough were deteriorated beyond repair and were contributing to neighborhood blight. The Streetscape/Sidewalk Replacement project installed new concrete sidewalks, curbing, and ADA accessible curb ramps. The design provides mobility and accessibility within the pedestrian access route and improved drainage across the sidewalks. The project area consists of residential and mixed commercial along Logan Avenue.



### **CDBG Hanover Drive & Vanderbilt Drive Rebuild; Arlington, TX – TX-6**

**Funding Sources: CDBG (\$1,088,000); Other Public Funds: Street Bond Fund (\$1,030,885), Stormwater Utility Fund (\$332,620), Sanitary Sewer Fund (\$610,862), Water Bond Fund (\$73,936)**

The Hanover Drive and Vanderbilt Drive Rebuild project was part of the City of Arlington's program to rebuild residential streets throughout

the city that have deteriorated beyond general maintenance. CDBG funds were used for street and sidewalk improvements, curb and gutter, ADA-compliant ramps, stormwater inlets, and streetlights for a friendlier and more inviting environment for pedestrians.



Prior to construction, Hanover and Vanderbilt Drive had a street condition rating of less than 50%, but now both have a rating of 100 and are designed to last 50 years. As result of street and sidewalk improvements, the surrounding neighborhood has been working on making improvements to homes and yards, making the entire area more walkable and inviting. This project serves approximately 1,770 low-

income Arlington residents and is in census tract 1115.224, which is in a low-income target area. This project aligns with the City Council's priorities to enhance regional mobility.

### **Project Impact:**

- Construction of 2,500 square yards of sidewalks with ADA compliant pedestrian ramps to allow a person using a wheelchair, scooter, walker, or other mobility device to cross a street.
- Improvement of 1,580 linear feet of storm drain infrastructure to reduce flooding.
- Improvement of 2,950 linear feet of sanitary sewer lines to allow larger sanitary sewer flow capacity for this area and prevent future sewer overflows.
- Replacement of 140 traditional water meters that only measured water flow with new Advance Metering Infrastructure (AMI) water meters that offer accurate and efficient meter reading and water billing which will proactively conserve water.



### **South Main/ East Hayne Streetscape Improvements Woodruff, SC – SC-4**

The South Main/East Hayne Streetscape Improvement project addressed the limited parking in the downtown district, public safety for pedestrians, and lack of curb appeal to encourage new businesses and visitors. The project involved the upgrading of sidewalks and crosswalks to provide an attractive corridor in the downtown district and to connect the business district to McKinney Park. Improvements included lighting, landscaping, additional new parking spaces, and benches strategically placed throughout the project area.



### **Front Street Redevelopment Phase 1 Fallon, NV – NV-2**

Front Street Redevelopment involves the installation of infrastructure that will create accessibility to main street. The work will include demolition, repaving Front Street and associated curb, gutters, and sidewalk replacement.

## Park Improvements

Park improvements are essential to community livability. Park improvements help anchor neighborhoods by providing space for residents of all ages and economic status to gather and interact socially. CDBG grantees invest heavily in park improvements. In FY2022 alone, CDBG grantees spent over \$139 million for park improvements.<sup>4</sup>

### Benefits:

- Parks provide places for everyone to engage in physical and social activities that help improve mental and physical health.
- Park improvements provide safe places for children to play and develop socially.
- CDBG-funded park improvements help build access for children with disabilities.



### **Sam Pawlak Community Playground Fitchburg, MA – MA-4**

**Funding Sources: CDBG (\$85,000), Massachusetts  
PARC Grant (\$400,000), Fundraising (\$38,000)**

The neighborhood in which the park is located is one of the City's Environmental Justice neighborhoods. The median income for this neighborhood is \$26,984 with nearly 22% of the population living below the poverty line.

Moreover, 13% of the population of the

neighborhood has a disability. While the primary beneficiaries of the Sam Pawlak Community Playground are the children of Fitchburg – particularly those with disabilities – this playground is the only inclusive playground in at least a 20-mile radius and will serve children and families throughout the region. The City of Fitchburg used its CDBG funds to purchase new play structures designed for children with disabilities to make the park accessible. The park provides a fun and fully inclusive play experience for children of all abilities including a variety of sensory experiences for those children with intellectual impairment, autism, and visual limitations. When everyone can play together regardless of ability, it builds understanding, empathy, and supports social integration.

---

<sup>4</sup> Ibid

## **Seattle Conservation Corps Parks Upgrade Program**

**City of Seattle, WA**

**CDBG Investment: \$808,000 (2023)**

The Seattle Conservation Corps (SCC) is a Parks and Recreation program that provides job skills training and employment opportunities for people experiencing homelessness. Participants support the Seattle community by improving the accessibility of parks for people with disabilities, adding green space to mixed income neighborhoods, and beautifying public spaces for all Seattle residents and workers. For nearly four decades, CDBG funding has supported the program. In 2022, the SCC was able to make accessibility upgrades to six parks impacting nearly 66,455 residents. In 2023, the SCC Parks Upgrade program will receive \$808K in CDBG funding for new accessibility projects that will benefit Seattle visitors, workers, and residents even more.

## **Using CDBG for Housing**

CDBG is essential to affordable housing preservation and expansion in low- and moderate-income areas. The CDBG program focuses on the elimination of conditions which are detrimental to health, safety, and public welfare primarily through rehabilitation of single family and rental properties. These activities result in the preservation of affordable housing and the expansion of the affordable housing stock for low- and moderate- income people. Grantees also use CDBG to assist first-time homebuyers. These resources enable low- and moderate-income people to enter the housing market and build wealth through homeownership.

**Since FY2005, the CDBG funded housing activities  
have assisted nearly 1.8 million households.<sup>5</sup>**



## Single-Family Rehabilitation



Single-family homeowner rehabilitation is the single largest use of CDBG funds for housing. In FY2022, CDBG grantees spent over \$387 million to rehabilitate homes for low- and moderate-income people.<sup>5</sup> Since FY2005, the CDBG program has assisted over 1.136 million households through single-family homeowner rehabilitation.<sup>6</sup> CDBG provides flexible financing for the rehabilitation of owner-occupied homes, including emergency repairs, in low- and moderate-income areas.

### Benefits:

- Preserves affordable housing.
- Addresses unsafe living conditions and substandard properties.
- Incorporates energy efficiency improvements which lowers utility costs.
- Helps low-income people on fixed incomes and people without access to mainstream lending institutions obtain low-interest rate loans, deferred loans, and even grants to maintain their homes.
- Helps persons with disabilities make ADA upgrades to their homes.
- Allows seniors to age in place.
- Contributes to neighborhood stability.

### Critical Home Repair Program

#### Cumberland County, ME – ME-1

**CDBG Investment: \$100,000 each year since 2020**

**Other Funding Sources: In-kind support from volunteers and sliding scale matching funds from homeowner (when available)**

Cumberland County provides CDBG funding to Habitat for Humanity of Greater Portland to make critical home repairs for low- and moderate-income homeowners across Cumberland County. These repairs include everything from small safety fixes like bathroom grab bars to larger repairs like septic systems and roof replacements. With an aging population and a lack of available senior housing, these home repairs allow elderly homeowners to remain safely in their homes. Since 2020, Habitat for Humanity has completed a total of 56 home repairs for Cumberland County low- and moderate-income residents. More than half of these homeowners have a household income below 50% AMI.

---

<sup>5</sup> Ibid

<sup>6</sup> Ibid



## **Merced Housing Texas' Owner-Occupied Repair Program**

**San Antonio and Bexar County, TX, TX-35**

**Ongoing since 2002, CDBG funding of \$500,000 - \$1,000,000,**

With the help of CDBG funds, the Owner-Occupied Repair Program made health-, safety-, and accessibility-related repairs to the homes of homeowners living on low incomes. In the last fiscal year, the population served was primarily Latino and Black, with over 90% of those assisted also being over the age of 50 and living in houses made between 1950 and 1980 that were in major need of rehabilitation. In a specific story shared by National Association for Latino Community Asset Builders (NALCAB) member Merced from last year, an older Latina woman who reported living with medical conditions was able to complete necessary home repairs and ensure a healthier living space thanks to Merced's Owner-Occupied Repair Program and CDBG Funds.

## **Minor Home Repair Grant Program (MHRGP)**

**City of Menifee, CA – CA-41**

**Ongoing program**

Using CDBG program funds, the MHRGP program provides grants to income-eligible owner-occupied seniors (62+) or permanently disabled persons up to 50% of area median income to make minor repairs to their homes. Improvements completed under the MHRGP program include, but are not limited to, roofs, HVAC, water heaters, ramps/entrance accessibility improvements, ADA bathroom improvements, sub-flooring replacements, and electrical. Through the MHRGP program, the city can further the objectives of preserving the affordable housing stock in good condition and providing low- and moderate-income seniors and/or permanently disabled persons with a decent, suitable, and more accessible living environment. Roughly, 10 to 12 projects are completed each year. The photos below show a roof replacement on a manufactured home before and after work.

Roof Before Repairs



After Repairs





**Mainstream – Wheelchair Ramps**  
**City of Little Rock, AR**  
**CDBG Investment: \$15,000**

The City of Little Rock partners with Mainstream, an organization that coordinates the construction of wheelchair ramps for persons with disabilities. The ramps are constructed by volunteers of the AT&T Telephone Pioneers, a local community service organization. The program assists approximately 18 low-income households each year.



**Detroit 0% Interest Home Repair Loan Program**  
**City of Detroit, MI**  
**CDBG Investment: \$16.1 million**  
**Other Funding: Private funds (\$9.7 million)**

Together, LISC and the City of Detroit have developed a tool and product that helps families maintain their homes and supports the stabilization of neighborhoods. LISC designed and implemented a first-of-its-kind home repair loan with the City of Detroit, 11 non-profit

community development corporations, and two private financial institutions who partnered to create an innovative public-private partnership model that meets the needs of eligible households. The Detroit 0% Interest Home Repair Loan Program offers 10-year, interest-free loans from \$5,000 to \$25,000 to help Detroit homeowners invest in and repair their homes, promoting public health and safety, increasing property values, and helping residents secure and maintain homeowner's insurance. To date, 690 homes have been rehabilitated through this re-investment, strengthening Detroit neighborhoods by allowing residents to age in place and maintain safe, affordable homes. The program is also ensuring that intergenerational wealth has an opportunity to be transferred, which is particularly important to addressing the racial wealth divide. Indeed, Black homeowners make up 95% of borrowers, and 71% of borrowers have a household income at or below 80% of AMI. Since its inception in 2015, the program has leveraged CDBG resources alongside private grant and loan funds to invest nearly \$26 million throughout Detroit.

## **Emergency Boiler and Oil Tank Replacement Program**

### **City of East Providence, RI – RI-1**

#### **Ongoing program, CDBG Investment: \$145,000**

The Emergency Boiler and Oil Tank Replacement Program has been a significant benefit to many households in the City of East Providence. A Housing Rehab Specialist inspects the property, writes a scope of service, facilitates contractor bids, and inspects the work. The cost of the oil replacement and/or new boiler is financed by a 0% interest loan due when the home is sold or no longer the primary residence of the borrower. To date, 15 people have been served by the program.



Jo Ann Martin & her daughter: "In April 2022, our oil tank broke and we had no heating or hot water. My journey began looking for a replacement. We did not have the financial means to purchase an oil tank after receiving various quotes. So, I began to call around to agencies who might help someone without heating. My search became very difficult. By November I became desperate for help. Winter was approaching and the house was getting very cold. Someone told me to go to the East Providence City Hall. A listening ear and hope at last. The Home Improvement program rescued my daughter, my 90-year-old mother, and myself."



### **Accessibility Improvements, Petaluma, CA**

Bill had an accident when he was 16 and sustained a spinal cord injury. His family made a room for him in the garage that was accessible. When Rebuilding Together Petaluma met him, his parents had passed away and he had moved into the house, where nothing was accessible. CDBG-funded repairs included a wheelchair lift at the front door, accessible bathroom repairs including a roll in shower, widened doorways for his wheelchair and accessibility changes in the kitchen.<sup>7</sup>

---

<sup>7</sup> Ibid



## Demolition and Reconstruction

CDBG funds can be used for the demolition of a property or properties to eliminate blighting conditions that are detrimental to health and safety or as part of a comprehensive neighborhood revitalization plan to reconstruct blighted homes. Reconstruction includes replacing an existing substandard home with a new home.

### Benefits:

- Rids communities of unsafe, blighted housing conditions.
- Ensures the health and safety of occupants through the construction of a new affordable home.
- Plays an important role in neighborhood improvement if used as part of a comprehensive revitalization plan which can lead to an overall value in the housing stock, equity for the homeowners, and an increased tax base.

### 2021 Housing Project – Dugan Neighborhood

City of Conroe, TX – TX-8

**CDBG Investment: \$1,542,302**

The Dugan neighborhood is one of the oldest African American areas in the City of Conroe. Once a vibrant neighborhood, the area has fallen into disrepair over the last 50 years. Today, the community is predominantly low- and moderate-income. Dugan residents lack the means to maintain or repair their properties. Far too many of the residents are forced to sell or abandon their homes due to uninhabitability and lack of funds for repair. In the case of the 2021 CDBG beneficiaries, the decay of the homes had progressed to the point of being uninhabitable. CDBG funds were used to demolish and reconstruct seven homes in the Dugan neighborhood. The homeowners now have quality, solid homes that are safe and affordable. Further, the overall value of the existing housing stock of the neighborhood has improved with every home rehabilitated or reconstructed with CDBG. CDBG funds have also been used to install sidewalks and new neighborhood streets.

Before



After



## Homeownership

CDBG funds assist in the creation of new affordable homeowner units by funding acquisition of the land, construction of the units, demolition of existing structures, and installation of utilities and other infrastructure. New construction of housing units must be done by a Community Based Development Organization (CBDO) as part of a neighborhood revitalization plan, economic development project, or energy conservation project. CDBG can also be used to acquire and rehabilitate existing housing units for resale to eligible homebuyers.

CDBG funds can be used to provide direct assistance to a homebuyer to assist them in purchasing a home in several ways. CDBG can be used to pay for housing counseling, credit counseling, and financial management classes for low/moderate-income households as an activity delivery cost under direct homeownership assistance. CDBG can be used to fund downpayment and closing cost assistance under two scenarios. First, CDBG may be used to provide downpayment and closing assistance under the program's public service category. Second, CDBG can be used to fund downpayment and closing cost assistance outside of the public services cap, but the program may only pay up to 50% of these costs.

CDBG can directly finance or subsidize financing for homebuyers through several avenues: amortizing loans, deferred payment loans, forgivable loans, grants, interest-rate write-downs, principal write-downs, and the payment of private mortgage insurance.

### Benefits:

- Helps people build wealth.
- Provides family stability.
- Improves distressed neighborhoods.
- Adds to the local tax base.

## Rental Housing

CDBG can be used to acquire and rehabilitate existing housing for rent to low- and moderate-income people. CDBG can also assist in developing new rental units by providing funds for property acquisition, site clearance and assemblage, and site improvements. CDBG funds can be used to construct new housing if done by a CBDO and as part of a neighborhood revitalization strategy plan. CDBG can also be used to convert non-residential structures (e.g., factories, schools, etc.) into housing. States and communities often leverage CDBG with other Federal (e.g., HOME, LIHTC, and RAD), state, and local programs. The income requirements and rent restrictions for such programs help ensure that the benefits of each affordable unit are long lasting.



Since FY2005, the CDBG program has funded multifamily rehabilitation improvements that assisted over 202,000 households.<sup>8</sup>

#### Benefits:

- Preserves and adds to the supply of affordable rental housing.
- Acts as a catalyst to spur investment in low- and moderate-income areas.
- Provides essential gap funding to affordable housing projects.
- Improves the rental housing stock in target areas.
- Preserves and develops affordable rental housing in higher opportunity areas.

#### Redevelopment of 2101 Grand Avenue City of Wausau, WI – WI - 7 CDBG Investment: \$94,252

Before



After



CDBG funds were used to acquire and clean-up a severely blighted property to make way for a new rental housing complex that consists of 16 one-bedroom units of which 5 will be occupied by people with incomes below 65% of AML.

#### Code Enforcement

CDBG funded code enforcement plays an important role in eliminating community blight by helping communities identify substandard properties that need rehabilitation assistance and identify dilapidated vacant properties for demolition that pose a risk to the health and safety of low- and moderate-income communities.

#### Benefits:

- Protects the health and welfare of community residents through the demolition or improvement of unsafe housing units.
- Supports the safety of communities and assists in crime reduction through the demolition of nuisance properties.
- Positively impacts the visual image of a community.

---

<sup>8</sup> U.S. Department of Housing and Urban Development. FY2005-22 National CDBG Accomplishment Report.

## USING CDBG FOR PUBLIC SERVICES

CDBG grantees can use up to 15% of their annual allocation plus 15% of program income from the previous program year for community services to address a wide range of community needs. These services include employment training, meals and other services to the elderly, services for abused and neglected children, aid to local food banks, youth and senior services, and support for many other community services. Services are provided by large and small public and private organizations in diverse settings such as schools, community facilities and other venues. CDBG funds may also be used to pay for labor, supplies, and material as well as to operate and/or maintain the portion of a facility in which the public service is located. This includes the lease of a facility, equipment, and other property needed for the service.

**In FY2022 alone, CDBG provided funding for public services  
that assisted over 7 million low- and moderate-income  
people nationwide.<sup>9</sup>**

The services provided programs for seniors, operating costs of homeless and AIDS patient programs, food banks, services for the disabled, transportation services, youth programs, general health and mental health services, and many other activities.

### Food Banks

One of the largest public service categories funded with CDBG is food banks. In FY2022, CDBG grantees allocated over \$52 million to local food banks and pantries directly benefitting over 2.4 million households.<sup>9</sup> This funding helped communities bridge funding gaps to provide food to low-income people on fixed incomes, those living below the poverty line, and those struggling to make ends meet. CDBG funds were used for the direct purchase of food, delivery of food to low-income, housebound seniors, summer food programs for low-income youth, and food bank operations and equipment. Most food banks provide important services beyond food distribution. They provide information on other available relief programs and enroll participants in federal benefit programs.

---

<sup>9</sup> 2022 CDBG Grantee Accomplishment and Expenditure Data, HUD



**The Light House Shop**  
**City of East Providence, RI – RI-1**  
**CDBG Funding: \$8,000**  
**Completion Date: Ongoing**

The Light House Shop is a food rescue program that provides food collected from supermarkets, bakeries, and restaurants to area residents who are food insecure. Open three days per

week, they serve an average of 200-250 very low-income families per week. Struggling to keep up with the rising prices of food, this program prevents significant food insecurity for East Providence families and seniors on a fixed income. They provide over 11,100 residents per year with fruits & vegetables, meats, cereals, and dry goods.



**Project Going the Extra Mile (GotEM)**  
**City of College Station, TX**  
**CDBG Funding: \$403,708**  
**Completion Date: March 31, 2023**

Project GotEM was created in response to the COVID-19 pandemic as a way for food insecure residents to access food. Since its inception in 2021, Project GotEM has enabled the Brazos Valley Food Bank to deliver food to clients who have been impacted by COVID-19 job losses and family disruptions when no other resources could be easily accessed. Not only

does this direct client service allow the Brazos Valley Food Bank to deliver nutritional and needed food to clients' homes, but it also allows staff to connect clients directly with other Brazos Valley Food Bank resources such as Benefits Assistance, Referral Partner Program and Together We Grow as well as agencies in Brazos County who can address a wider range of needs. Over the course of the program, Project GotEM has allowed the Brazos Valley Food Bank to serve over 400 low- and moderate-income individuals with more than 5,500 boxes of food.

**Quote from a beneficiary:**

*"It has had a profound effect on me. It literally was our saving grace. I came from a domestic violence situation and had nothing. I lived in my car with my son for 10 months. Finding any real help was almost impossible. BVFB was the first organization that treated me with respect and dignity and didn't make me feel ashamed for asking for help. Thank you so much."*

## Homelessness Prevention

CDBG funds assist in the prevention of homelessness in several ways. Communities can use the funds to provide operational support to local nonprofit providers who serve people at risk of homelessness. CDBG can also be used to reduce rental evictions and help homeowners facing mortgage foreclosure by providing up to three months of rent, mortgage, and utilities for people experiencing financial hardship to help them stay housed. CDBG funds can also be used to provide legal assistance for people at risk of homelessness for tenant/landlord mediation efforts. According to HUD, in FY2022 alone, CDBG provided the following homelessness prevention assistance.<sup>10</sup>

- Over \$53 million for operating costs for homeless/AIDS patient programs
- Over \$16 million for subsistence payments (rent, utility, mortgage assistance)
- Over \$9 million for legal services

### Rent, Rehab, and Utility Assistance

**Lexington-Fayette County, KY – KY-6**

**Funding Source: CDBG-CV (\$100,000)**

**Completion Date: December 2022**

During the COVID imposed shutdown and eviction moratorium, CDBG funds helped community residents with utility expenses and rent assistance, as well as minor fix up for low-income rental properties. The grant preserved low-income rental units, abated loss of utility services for low-income households, and prevented homelessness. Four households have been served. These female heads of household residences contained children ranging from pre-school to middle school. The funding came at a crucial time of uncertainty and economic strain on low-income families.

## Homeowner Downpayment Assistance

CDBG assists low and moderate-income people purchase a home through down payment assistance and closing cost assistance. CDBG funds can be used to provide downpayment assistance as a public service (and limited to the 15% public services cap). However, Community Based Development Organizations (CBDOs) can provide downpayment assistance as a public service in a Neighborhood Revitalization Strategy Area (NRSA) without being subject to the 15% public services cap. Downpayment assistance in a NRSA is limited to low/moderate-income households. Communities can also fund housing counseling as a stand-alone public service activity, subject to the 15% public services cap.

---

<sup>10</sup> U.S. Department of Housing and Urban Development, National CDBG Expenditure Report



**Birmingham Urban League Housing Counseling Services**  
**City of Birmingham, AL**  
**CDBG Investment: \$50,000**

*Photo of Workshop Participants*

The Birmingham Urban League (BUL) is a HUD certified housing counseling program providing educational and counseling services to residents residing in the City of Birmingham, designed to increase

homeownership among minorities, advocate for affordable housing, and act as an information resource for residents. To ensure neighborhoods are sustained and transformed positively, BUL's housing counselors work to equip families and individuals with the knowledge to become responsible homeowners and tenants. BUL's housing counselors help prospective homebuyers avoid the pitfalls of homeownership – unreasonably high interest rates, unaffordable repayment terms, and other conditions that can result in a loss of equity, increased debt, default, and possible foreclosure. In addition, the counselors provide credit counseling to homeowners to prevent or resolve mortgage delinquency, default, and foreclosure, with the primary objective of preserving homeownership. BUL is committed to providing increased homeownership and rental opportunities for low- and moderate-income families, the elderly, minorities, and individuals with disabilities. BUL used \$50,000 in CDBG funds to conduct four homebuyer educational workshops, two financial literacy workshops, one-on-one housing counseling, and develop individualized career plans for workforce development participants.

## **Employment Readiness and Training**

CDBG public services funding helps communities address unemployment and underemployment by funding programs that help low- and moderate-income people obtain employment and enhance their job qualification skills. According to HUD, in FY 2022, CDBG grantees allocated over \$35 million to help people find permanent employment and keep their jobs.<sup>11</sup> This assistance included training and education, including on-the-job training such as apprenticeship programs. Other CDBG-funded public services, such as transportation assistance and childcare assistance, helped to further support employee retention.

---

<sup>11</sup> Ibid.



## Youth Services, Childcare Services

CDBG funds local programs that provide a safe environment, social support, and mentorship to low- and moderate-income youth through after school programs, summer camps, leadership programs, and other support programs. These programs teach self-reliance, problem solving, civic engagement, and help youth develop interpersonal skills. CDBG also supports working families with affordable childcare. For many working families, childcare can represent real hardship and threaten the ability of parents to continue to work. For those on public assistance, it is often the biggest stumbling block to obtaining and maintaining employment.

Boys and Girls Clubs of America serve youth at over 4,700 club sites across the country including at over 1,955 school-based clubs, 1,082 clubs in rural areas, 208 clubs on Native lands, and 278 clubs in Public Housing facilities. These clubs provide academic support, a safe environment, meals and snacks, supportive relationships, and quality programming for youth to develop and grow academically and personally. CDBG has been a critical resource for Boys and Girls Clubs, providing funding for programs and transportation for kids to get to the Clubs.<sup>12</sup>



### Boys and Girls Club

#### City of East Providence, RI – RI-1

#### CDBG Funding (\$20,000 annually)

CDBG funds are used by the East Providence, RI Boys and Girls Club to support the Safe Haven Drop-in Program, the Keystone Teen Leadership Program, and teen leadership efforts.

### CDBG Childcare Voucher Collaborative (PCCVC)

#### City of Portland, ME – ME-1

The program offers childcare scholarship assistance to some of Portland's most vulnerable low-to-moderate income (LMI) families. It is intended to be temporary to fill the critical gaps in the administration of Maine's other subsidy programs. The PCCVC is a partnership between Catherine Morrill Day Nursery (CMDN), Youth & Family Outreach (YFO), The Opportunity Alliance (TOA), and St. Elizabeth's Child Development Center (St. E's). The goal of the collaborative partnership is to provide affordable childcare by removing cost as a barrier for LMI Portland families with young children so that they can work. The collaborative is the only program in Portland that

---

<sup>12</sup> CDBG Coalition Webinar, Boys and Girls Clubs of America Presentation, Erin Gilliatt, Executive Director, Boys and Girls Clubs of East Providence, RI.

provides childcare assistance to LMI families while they are waiting for a state voucher or that serves families who aren't eligible for other financial support. Maine's Child Care Subsidy Program (CCSP) is a Catch-22. Parents need to be currently working or attending school to qualify for the subsidy, but parents can't seek or accept employment if they don't have childcare assistance. High risk families are often denied access to childcare subsidies because of their lack of eligibility due to the complicated application process, homelessness, status as New Mainers, or needing to participate in substance use treatment or mental health services, which are ineligible activities. Through the PCCCVC program, LMI parents are provided reduced fee childcare (\$30-\$34 per week) so that they can work, attend school, or much needed services.

Amount of CDBG funds allocated to the project/program:

**Program Year 2022-2023** \$79,287

**Program Year 2021-2022** \$80,808

**Program Year 2020-2021** \$48,879

## Senior Services

Many jurisdictions promote senior health and wellness through CDBG-funded public service activities. Senior services provide meaningful engagement and support to community residents 65 and older.



### Meals on Wheels

#### City of Little Rock, AR

#### CDBG Funding (ongoing)

The City of Little Rock partners with the Central Arkansas Area Agency on Aging (dba Care Link) to provide resources for older people and their families in central Arkansas. Meals on Wheels provides hot and frozen home-delivered meals for homebound senior citizens who are unable to shop or prepare their own meals. The program assists approximately 150-200 persons annually.

## Health Services

In FY2022, CDBG provided over \$10 million in funding for critical health services that included medicine, testing, treatment, supplies, and other health services for low/mod income persons.<sup>13</sup>

**FILLING MORE THAN 50,000  
PRESCRIPTIONS VALUING OVER  
\$4 MILLION SINCE 2009. SAVING  
STARK COUNTY LIVES!**

### **Beacon Charitable Pharmacy Canton/Stark County, OH CDBG Funding: \$10,000**

Beacon Charitable Pharmacy provides professional pharmaceutical services and medications for the most vulnerable in the Greater Stark County and Carroll County communities. The pharmacy provides prescription medications at a price of \$5 each

for low- and moderate-income people who are uninsured or underinsured.



### **Health Services City of Little Rock, AR CDBG Funding: \$20,000**

The City of Little Rock partners with CHI-St. Vincent East Clinic to provide medical and dental services to low- and moderate-income people at the Nathaniel W. Hill Complex in East Little Rock. The program has assisted over 10,050 people.

---

<sup>13</sup> Ibid.

## USING CDBG FOR ECONOMIC DEVELOPMENT

CDBG economic development activities help communities tackle economic distress, stimulate private investment, spur small business and commercial growth, and add jobs to the local economy.

**From FY2005 to FY2022, CDBG facilitated the creation and retention of 568,228 economic development related jobs.<sup>14</sup>**

CDBG-funded economic development activities help address challenges and barriers to local economic growth such as the lack of working capital and financing for business development and expansion and the lack of adequate infrastructure to attract new businesses. The impact of CDBG investments on small and large businesses are many, including the following:

### Benefits:

- Assists local businesses who may face barriers to conventional financing.
- Promotes entrepreneurship and opportunities for wealth creation by assisting small business startups.
- Support the growth and diversification of business sectors.
- Assists areas of the community that have experienced disinvestment.
- Ensures low- and moderate-income residents have better access to essential goods and services.
- Provides employment opportunities for low- and moderate-income people.
- Adds tax revenue to local and state economies.

### Direct Assistance to Businesses

CDBG is used to assist businesses through grants and loans in numerous ways that include, but are not limited to, acquisition of land and buildings, construction, commercial rehab, infrastructure development, working capital, job training and technical assistance.

### Incubators

Small businesses are the cornerstone of the American economy. Communities use CDBG to build small businesses through small business incubators. Incubators are multi-tenant buildings that provide affordable business space along with a variety of professional services for small businesses and new business start-ups to help them become viable businesses. CDBG funds can be used to acquire the land and buildings



for an incubator, construction of a new facility, infrastructure development, and financial and technical assistance to the businesses within an incubator.



### **Stockton Community Kitchen**

**City of Stockton, CA - CA-9**

**CDBG Investment: \$190,000**

**Other Funding: CA Hispanic Chamber Foundation Grant (\$25,000); San Joaquin County Grant (\$60,000); Stockton School for Adults (\$10,000)**

The Stockton Community Kitchen is a 5,000 sq ft fully licensed commercial kitchen incubator program that primarily serves underrepresented low-income, female food entrepreneurs in Stockton who face the highest barriers to entry

to the food industry. The program targets entrepreneurs who would like to enter the food industry but face a lack of background experience, resources, or skills to execute their ideas, those who have an idea, business plan, or existing business model but need access to resources and mentoring to bring their product to the market, and those who are already in business but require access to larger commercial kitchen space to expand their business.

### **Microenterprise Assistance**

Communities often use CDBG to serve a subset of the small business community through microenterprise assistance. A microenterprise is a business that employs five or fewer people. One of the challenges for new business startups, particularly low- and moderate-income business owners, is the availability of capital. Conventional lenders shy away from persons with credit blemishes. CDBG steps in to provide low- and moderate-income microenterprise business owners with funding for business acquisition and renovation, business equipment/machinery, working capital, and technical assistance. CDBG-CV funds were particularly helpful during the COVID-19 pandemic, providing a lifeline for small businesses.

### **La Cocina Incubator Program**

**City of San Francisco, CA - CA-11**

**ongoing program, CDBG funding provided \$50,000-\$100,000**

National Association for Latino Community Asset Builders (NALCAB) member La Cocina receives annual funding from CDBG through the City of San Francisco Office of Economic and Workforce Development. The funding supports the incubator program, which provides working class food entrepreneurs with affordable commercial kitchen space, industry-specific technical assistance, and access to market opportunities. The program focuses specifically on women from communities of color and immigrant communities, having helped businesses in the San Francisco area grow to have brick and mortar locations and, in some cases, eventually factory production.



### **Microenterprise Navigator and Technical Assistance Program**

**City of Indianapolis, IN – IN-7**

**CDBG Investment: \$280,35**

The City of Indianapolis provided funding to LISC for the creation of a program directed to help local microenterprises. LISC created the Microenterprise Navigator Program, providing technical assistance and training to microenterprises owned by individuals at or

below 80% of AMI and that provide goods or services to residents of a LMI area. These technical assistance services specifically target and prioritize communities and microenterprises that historically face barriers to resources and business services, such as underserved entrepreneurs of color and immigrant-owned microenterprises. The program has served 226 microenterprises (LMI individuals).



### **Micro Business Relief Fund**

**City of Charlotte, NC – NC-12**

**CDBG-CV (\$1,000,000)**

The City of Charlotte, NC partnered with LISC Charlotte to deploy the Micro Business Relief Fund (MBRF). The MBRF was a \$1 million fund created to provide grants to eligible microenterprises financially impacted by COVID-19. LISC leveraged this CDBG-CV funding to support small

businesses with the financial and technical resources necessary to remain resilient. Specifically, the program provided microenterprises within Charlotte's opportunity corridors with a grant of up to \$10,000 to fund operation costs to pay staff, vendors, rent, and utilities. Pictured here is Andarrio Johnson, a small business grant recipient. These funds were made available both in response to the COVID-19 pandemic's economic impact, as well as the inequitable access to relief funds that struggled to reach the microenterprises most in need of relief.

### **Commercial Improvements**

One of the most popular uses of CDBG for economic development is commercial improvements. Activities under this category are designed to enhance the business structure through façade improvements, correct code violations, add ADA upgrades, and other improvements.



### **Niobrara Valley Vineyards Expansion**

**Cherry County, NE – NE-3**

**CDBG Funding: \$385,039; Private Funding: \$351,050**

This expansion project will increase the economic and tourism capacity of Niobrara Valley Vineyards, a family-owned and operated small business. CDBG funds will provide ADA accessibility through installation of handicapped parking, accessible bathrooms, and walking paths.

### ***Training and Technical Assistance***

Communities use CDBG to provide training and technical assistance to help build and expand business capacity.

### **Small Business Assistance**

**El Centro de la Raza, Washington State**

**Funding: CDBG & National Association for Latino Community Asset Builders (NALCAB) (\$60,000)**

CDBG funding provided small business-focused technical assistance to underserved and Latinx businesses in urban and rural areas in Washington state. CDBG provided bilingual guidance and assistance to small business owners in accessing federal, state, and local funds. It also provided one-on-one bilingual coaching to small businesses to create marketing and business plans and provided bilingual training on the use of technology to help small businesses generate more income using social media.

### **Results and Impact:**

- 34 new rural and urban small businesses were created.
- 30-35 jobs were created.
- 150 established rural and urban small businesses continuously supported on an annual basis.

### ***Large-Scale Commercial Development and Mixed-Use Development***

CDBG assists communities finance large-scale commercial development, including mixed-use development. These are projects that have a large community impact, such as factories, industrial parks, hotels, shopping centers, convention centers, and affordable housing mixed with commercial activities. CDBG is oftentimes used to provide financing to build or expand commercial businesses and fund business equipment, leases, and business services. CDBG investment in large-scale commercial development often time leads to area renewal, job creation and retention, and retention or creation of important businesses that serve to anchor a community and provide important services.



**Dunn Utility Products Expansion, MS-1**  
**New Albany, MS – MS-1**  
**CDBG Funding: \$538,000; Other Funding: \$22.7 million**

The Dunn Utility Products Company will be repurposing the Enhance Mississippi Shell Building in New Albany, MS, and an adjacent land parcel into two new manufacturing plants. Dunn Utility Products is a provider of pre-cast concrete for

above ground and underground concrete. With the increased construction demand and urbanization of Memphis, Birmingham, and Nashville, this expansion will be able to meet the demands for future infrastructure and economic development projects for the surrounding areas. The CDBG funds will be used for a public road and sewer line extension. Dunn Utility Products is committed to creating 30 new jobs in the manufacturing plants.



**Oasis Fresh Market**  
**City of Tulsa, OK – OK-1**  
**Funding Sources: CDBG (\$1.5 million), Tulsa Economic Development Corporation (TEDC) (\$2.6 million), Tulsa Foundation (\$1 million), North Peoria Tax Increment Financing District (\$986,000)**

Project Oasis is a public-private collaboration designed to eliminate food deserts in Tulsa's most distressed communities. The Oasis Fresh Market, a

16,500 square foot grocery store, is in a low-income, predominantly African American community, in north Tulsa that has suffered from food insecurity and economic instability. Median incomes in the area are below \$20,000. The start-up is a black-owned enterprise and north Tulsa's first full-service grocery store in over a decade.

## ***Using the Section 108 Loan Guarantee Program for a Bigger Development Impact***

CDBG grantees use the Section 108 Loan Guarantee program to finance large-scale commercial development and mixed-use development. The Section 108 Loan Guarantee component of the CDBG program allows grantees to finance large scale projects that cannot be funded entirely with their current CDBG allocation. Section 108 allows grantees to borrow up to five times their CDBG allocation with the grantee guaranteeing repayment with project income or future CDBG allocations. HUD facilitates financing of the loans via private sector lending sources, providing highly competitive interest rates and terms up to 20 years. A well-designed Section 108 activity or project can have a substantial impact on a neighborhood.



## **Fourth Plain Community Commons**

**City of Vancouver, WA – WA-3**

**Commercial Funding Sources: HUD Section 108 Loan: \$4.1million; CDBG: \$1.2 million; ARPA: \$2.6 million; Other: \$1.375 million**

The Fourth Plain Community Commons is a mixed-use project located on Fourth Plain Boulevard (2200 Norris Rd) that includes 106 units of affordable housing on the four upper floors and a flexible community-serving space on the ground floor. The ground floor community spaces include flexible areas where the Fourth Plain community can gather, hold events, and access services. The following elements will be part of the community space:

- A commercial kitchen incubator to launch and support emerging food-based businesses.
- A shared office space to co-locate services to make it easier for residents and businesses to access resources.
- A community event space that can be rented for training and other events.
- A public plaza with infrastructure to support a Vancouver Farmer's Market satellite market.



This project is a collaboration between the Vancouver Housing Authority (VHA) and the City of Vancouver. The VHA plans to own and operate the apartments located on the upper floors. The City of Vancouver will develop ground floor space and partner with community-based organizations to operate it.

Residential Funding Sources: 4% Low Income Housing Tax Credits: \$17.6 million; Private Activity Bond: \$12.5 million; WA State Housing Trust Fund: \$4.4 million; City (Vancouver) Affordable Housing Fund: \$1.5 million; Sponsor Loan: \$2.5 million

## **CDBG Supports Small and Rural Communities**

As rural communities face unprecedented challenges, federal resources through programs like CDBG are critical to improving quality of life and connecting places to the 21<sup>st</sup> century economy. Infrastructure remains key to this progress and CDBG is primarily used to address deficiencies in utilities, transportation, and similar public facilities. Infrastructure investments matter to not only protect people and provide access to common amenities but also attract and retain businesses.

As economic development remains a priority for rural areas, CDBG is a strong resource to promote jobs and businesses. Smaller communities often struggle to identify capital for projects aligned with competing in the global economy. With local revenue minimal and insufficient to meet infrastructure and human capital demands, other sources are

needed to fill this void. CDBG provides this funding source amenable to rural communities for leveraging private investment. In Rogers County Oklahoma (pop. 87k), a CDBG-funded water line extension that will support Sofidel Inola's new \$400 million facility which will bring 256 jobs to the area. A couple of states over, Grambling in Lincoln Parish, Louisiana, used a \$329,000 CDBG grant to cover utility and related infrastructure for the community's first grocery store in 35 years. With Legends Market, Grambling (pop. 3.5k) can provide residents with food in proximity as well as generate tax revenue previously lost to neighboring towns.

Place-making is also a goal for many rural jurisdictions as local leaders act to reverse population loss and attract people to visit and relocate to their community; CDBG accommodates this strategy and activities therein. In Michigan, Ludington's Downtown Development Authority secured CDBG investment to transform their downtown square and surrounding area. The James Street Plaza will serve Ludington (pop. 8k) as an open area to host events, shopping, recreational activities, and cultural experiences. Further down Highway 31 is the city of Hart (pop. 2k) which recently acquired CDBG funds for a park development. The Hart Pocket Park was redeveloped from a vacant, unused lot into a public space hosting library story hours, musical performances, and related activities.

***Wasatch Front Regional Council's (WFRC) Community Development Block Grant (CDBG) Small Cities Program:***

WFRC is one of seven Associations of Government that administers CDBG in non-entitlement areas of Utah. WFRC serves a northern region of Utah, and eligible communities include Tooele, Morgan, and Weber Counties. Due to the number of eligible communities and limited funds, the Regional Review Committee adopted a policy to restrict the granting of more than \$250,000 in one year and \$200,000 per year over two years per applicant, to encourage wider dispersion of CDBG funds. The following project was recently funded with CDBG.

**Washington Terrace**

In 2022, the city of Washington Terrace (pop. 9.2k) applied for and was awarded CDBG funds to upgrade their water metering system. Washington Terrace is a predominately low to moderate income community, and this project benefits the whole community. The project will allow the city to accurately track water usage and identify potential leaks, which will prevent residents from paying for water they are not using. This project fits within WFRC's regional priorities of maintaining public infrastructure, and a state goal of more responsible water usage during a time that the state is experiencing severe drought. This project was awarded in two phases, (2022 and 2023) with CDBG awards totaling over \$300,000.

### **Clover Farms Store Project** **Town of Greenville, FL - FL-5**

The Town of Greenville, FL area did not have a fresh-food grocery store which posed a considerable hardship for residents, the majority of whom live below the poverty level. The Clover Farms Store provides the availability of fresh foods and goods and convenience for the nearly 800 residents in the surrounding area.

## **CDBG Rebuilds and Strengthens Communities After Disasters**

CDBG also promotes local recovery and resiliency following major disaster events. Notably through the CDBG-Disaster Recovery (CDBG-DR) program, federal funds invest in housing, infrastructure, and business assistance needs critical to long-term community rebuilding and mitigation against future disasters. As a flexible resource responsive to community needs, CDBG is a significant and meaningful federal program to support post-disaster activities.

Following major flooding from Tropical Storm Lee, Pine Grove Borough in Pennsylvania used CDBG-DR funds to create a floodplain diverting water from the community and therefore preventing further damage from future flooding. The 2011 flooding impacted 180 residential dwellings, numerous commercial businesses, and the town's largest employer (Guilford Mills with over 300 employees). The Pine Grove Floodplain Restoration is protecting residents, employees, and property for the small town (pop. 2,186). CDBG contributed \$2.5 million to developing the floodplain alongside state funds with a total project cost of \$3 million. Additional improvements are being considered further downstream which will also be supported by CDBG-DR and state funds.

## **CDBG Stimulates Investment**

One of CDBG's greatest strengths is its ability to leverage other investments. As a flexible resource designed to accommodate local needs, CDBG often serves to match other sources of public and private funds. Program resources also help projects and services become reality providing gap funding to meet budget needs.

One great example of CDBG's leverage capability is Celoron, NY's Chautauqua Harbor Hotel. The community was awarded \$750,000 in New York State CDBG Economic Development funds to assist Chautauqua Harbor Hotel, LLC open a destination hotel on waterfront property. The new 130,000 square foot facility includes 132 guest rooms, 8,000 square feet of event space with pre-function areas and breakout rooms, indoor and outdoor swimming pools, a fitness room, dining and lounge areas, and seasonal outdoor food and beverage facilities. The \$26,516,000 project created 86 full-time equivalent jobs over two years, with 68 (84%) made available to low-moderate income

persons. CDBG funding leveraged both state funds (nearly \$2m) as well as private investment (\$23m).

Additionally, Virginia's use of CDBG for the Greenhouse Village successfully leveraged other funding sources to create affordable housing in Rockbridge County. The development was completed in two phases creating 20 units of affordable housing for low-to-moderate income households. CDBG funding supported street, water, and sewer connections while other funding included Habitat for Humanity and USDA Rural Development. CDBG contributed \$432,828 to the project leveraging over \$1.2 million from other public and private sources.

## **CDBG Improves Lives and Strengthens Communities**

The CDBG program reaches every corner of the country from urban cities to small towns and populations in between. The program provides resources to state and local governments and their program partners to support stronger and more resilient communities for low- and moderate-income people.

As demonstrated in the series of highlighted projects presented in this report, CDBG enables communities to identify and address priority needs across infrastructure, housing, public services, and economic development. The leading federal investment in community-based initiatives, CDBG is flexible, responsive, sustainable, collaborative, and empowering.

### **FLEXIBLE**

CDBG supports a wide range of activities integral to social and economic outcomes especially for vulnerable populations.

### **RESPONSIVE**

The program's flexibility allows states and localities to effectively adapt CDBG support activities responsive to individual communities.

### **SUSTAINABLE**

Projects advanced through CDBG are sustainable improvements with long-term benefits for low-to-moderate income residents.

### **COLLABORATIVE**

Program funds also work in tandem with other public and private sources attracting capital to ensure projects can be completed.

### **EMPOWERING**

CDBG invests in comprehensive local action – from planning to project completion and use – allowing communities to effectively take on their specific priorities.



## Appendices

### FY93 v FY23 Total CDBG Allocations by State (includes entitlement funding)

*In the last 30 years, overall CDBG funding has increased very little in most states and decreased in others.*

#### State of Alaska

\$ 4,400,000.00 (CDBG FY93 Allocation)  
\$ 4,572,219.00 (CDBG FY23 Allocation)

#### State of Alabama

\$ 58,993,000.00 (CDBG FY93 Allocation)  
\$ 43,839,880.00 (CDBG FY23 Allocation)

#### State of Arkansas

\$ 31,126,000.00 (CDBG FY93 Allocation)  
\$ 26,218,309.00 (CDBG FY23 Allocation)

#### American Samoa

\$ -  
\$ 1,029,433.00 (CDBG FY23 Allocation)

#### State of Colorado

\$ 45,067,000.00 (CDBG FY93 Allocation)  
\$ 55,260,926.00 (CDBG FY23 Allocation)

#### State of California

\$ 424,499,000.00 (CDBG FY93 Allocation)  
\$ 378,216,242.00 (CDBG FY23 Allocation)

#### State of Colorado

\$ 37,480,000.00 (CDBG FY93 Allocation)  
\$ 36,523,810.00 (CDBG FY23 Allocation)

#### State of Connecticut

\$ 42,360,000.00 (CDBG FY93 Allocation)  
\$ 39,757,317.00 (CDBG FY23 Allocation)

#### District of Columbia

\$ 20,260,000.00 (CDBG FY93 Allocation)  
\$ 15,404,214.00 (CDBG FY23 Allocation)

**State of Delaware**

\$ 7,406,000.00 (CDBG FY93 Allocation)

\$ 7,588,841.00 (CDBG FY23 Allocation)

**State of Florida**

\$ 158,015,000.00 (CDBG FY93 Allocation)

\$ 153,536,526.00 (CDBG FY23 Allocation)

**State of Georgia**

\$ 80,265,000.00 (CDBG FY93 Allocation)

\$ 82,514,264.00 (CDBG FY23 Allocation)

**Guam**

\$ -

\$ 3,185,755.00 (CDBG FY23 Allocation)

**State of Hawaii**

\$ 16,828,000.00 (CDBG FY93 Allocation)

\$ 13,060,786.00 (CDBG FY23 Allocation)

**State of Iowa**

\$ 44,639,000.00 (CDBG FY93 Allocation)

\$ 37,817,535.00 (CDBG FY23 Allocation)

**State of Idaho**

\$ 9,896,000.00 (CDBG FY93 Allocation)

\$ 12,734,945.00 (CDBG FY23 Allocation)

**State of Illinois**

\$ 208,075,000.00 (CDBG FY93 Allocation)

\$ 159,585,479.00 (CDBG FY23 Allocation)

**State of Indiana**

\$ 77,115,000.00 (CDBG FY93 Allocation)

\$ 66,513,227.00 (CDBG FY23 Allocation)

**State of Kansas**

\$ 31,674,000.00 (CDBG FY93 Allocation)

\$ 25,889,396.00 (CDBG FY23 Allocation)

**Commonwealth of Kentucky**

\$ 52,609,000.00 (CDBG FY93 Allocation)  
\$ 43,830,588.00 (CDBG FY23 Allocation)

**State of Louisiana**

\$ 78,380,000.00 (CDBG FY93 Allocation)  
\$ 50,505,738.00 (CDBG FY23 Allocation)

**Commonwealth of Massachusetts**

\$ 111,463,000.00 (CDBG FY93 Allocation)  
\$ 99,225,630.00 (CDBG FY23 Allocation)

**State of Maryland**

\$ 59,154,000.00 (CDBG FY93 Allocation)  
\$ 51,861,368.00 (CDBG FY23 Allocation)

**State of Maine**

\$ 18,057,000.00 (CDBG FY93 Allocation)  
\$ 17,737,841.00 (CDBG FY23 Allocation)

**State of Michigan**

\$ 155,745,000.00 (CDBG FY93 Allocation)  
\$ 120,803,875.00 (CDBG FY23 Allocation)

**State of Minnesota**

\$ 63,704,000.00 (CDBG FY93 Allocation)  
\$ 52,595,485.00 (CDBG FY23 Allocation)

**State of Missouri**

\$ 81,622,000.00 (CDBG FY93 Allocation)  
\$ 63,958,131.00 (CDBG FY23 Allocation)

**Northern Mariana Islands**

\$ -  
\$ 980,125.00 (CDBG FY23 Allocation)

**State of Mississippi**

\$ 42,349,000.00 (CDBG FY93 Allocation)  
\$ 28,067,151.00 (CDBG FY23 Allocation)

**State of Montana**

\$ 9,500,000.00 (CDBG FY93 Allocation)  
\$ 8,502,640.00 (CDBG FY23 Allocation)

**State of North Carolina**

\$ 69,173,000.00 (CDBG FY93 Allocation)  
\$ 77,823,733.00 (CDBG FY23 Allocation)

**State of North Dakota**

\$ 7,861,000.00 (CDBG FY93 Allocation)  
\$ 5,527,134.00 (CDBG FY23 Allocation)

**State of Nebraska**

\$ 22,084,000.00 (CDBG FY93 Allocation)  
\$ 17,437,574.00 (CDBG FY23 Allocation)

**State of New Hampshire**

\$ 11,829,000.00 (CDBG FY93 Allocation)  
\$ 12,594,035.00 (CDBG FY23 Allocation)

**State of New Jersey**

\$ 117,647,000.00 (CDBG FY93 Allocation)  
\$ 87,566,959.00 (CDBG FY23 Allocation)

**State of New Mexico**

\$ 19,779,000.00 (CDBG FY93 Allocation)  
\$ 18,132,257.00 (CDBG FY23 Allocation)

**State of Nevada**

\$ 12,232,000.00 (CDBG FY93 Allocation)  
\$ 23,158,196.00 (CDBG FY23 Allocation)

**State of New York**

\$ 388,685,000.00 (CDBG FY93 Allocation)  
\$ 318,043,716.00 (CDBG FY23 Allocation)

**State of Ohio**

\$ 182,248,000.00 (CDBG FY93 Allocation)  
\$ 150,823,351.00 (CDBG FY23 Allocation)

**State of Oklahoma**

\$ 34,819,000.00 (CDBG FY93 Allocation)  
\$ 27,809,353.00 (CDBG FY23 Allocation)

**State of Oregon**

\$ 33,455,000.00 (CDBG FY93 Allocation)  
\$ 34,753,244.00 (CDBG FY23 Allocation)

**Commonwealth of Pennsylvania**



\$ 246,880,000.00 (CDBG FY93 Allocation)  
\$ 186,593,032.00 (CDBG FY23 Allocation)

**Commonwealth of Puerto Rico**

\$ 128,347,000.00 (CDBG FY93 Allocation)  
\$ 54,443,639.00 (CDBG FY23 Allocation)

**State of Rhode Island**

\$ 18,013,000.00 (CDBG FY93 Allocation)  
\$ 16,149,217.00 (CDBG FY23 Allocation)

**State of South Carolina**

\$ 40,818,000.00 (CDBG FY93 Allocation)  
\$ 38,514,758.00 (CDBG FY23 Allocation)

**State of South Dakota**

\$ 9,139,000.00 (CDBG FY93 Allocation)  
\$ 7,400,994.00 (CDBG FY23 Allocation)

**State of Tennessee**

\$ 59,203,000.00 (CDBG FY93 Allocation)  
\$ 50,082,668.00 (CDBG FY23 Allocation)

**State of Texas**

\$ 262,540,000.00 (CDBG FY93 Allocation)  
\$ 243,728,678.95 (CDBG FY23 Allocation)

**State of Utah**

\$ 21,564,000.00 (CDBG FY93 Allocation)  
\$ 21,611,943.00 (CDBG FY23 Allocation)

**Commonwealth of Virginia**

\$ 63,551,000.00 (CDBG FY93 Allocation)  
\$ 57,521,570.00 (CDBG FY23 Allocation)

**Virgin Islands**

\$ -  
\$ 1,804,687.00 (CDBG FY23 Allocation)

**State of Vermont**

\$ 7,327,000.00 (CDBG FY93 Allocation)  
\$ 8,068,410.00 (CDBG FY23 Allocation)

**State of Washington**

\$ 57,143,000.00 (CDBG FY93 Allocation)  
\$ 57,309,462.00 (CDBG FY23 Allocation)

**State of Wisconsin**

\$ 70,094,000.00 (CDBG FY93 Allocation)  
\$ 62,038,170.00 (CDBG FY23 Allocation)

**State of West Virginia**

\$ 29,364,000.00 (CDBG FY93 Allocation)  
\$ 20,971,245.00 (CDBG FY23 Allocation)

**State of Wyoming**

\$ 4,464,000.00 (CDBG FY93 Allocation)  
\$ 3,984,362.00 (CDBG FY23 Allocation)

This report was compiled and developed by Vicki Watson (National Community Development Association), [vwatson@ncdaonline.org](mailto:vwatson@ncdaonline.org) and Josh Shumaker (Council of State Community Development Agencies), [jshumaker@coscda.org](mailto:jshumaker@coscda.org), on behalf of the CDBG Coalition. The CDBG Coalition thanks the organizations that submitted CDBG project examples for this report.