

# Community Development Block Grant (CDBG) Fact Sheet

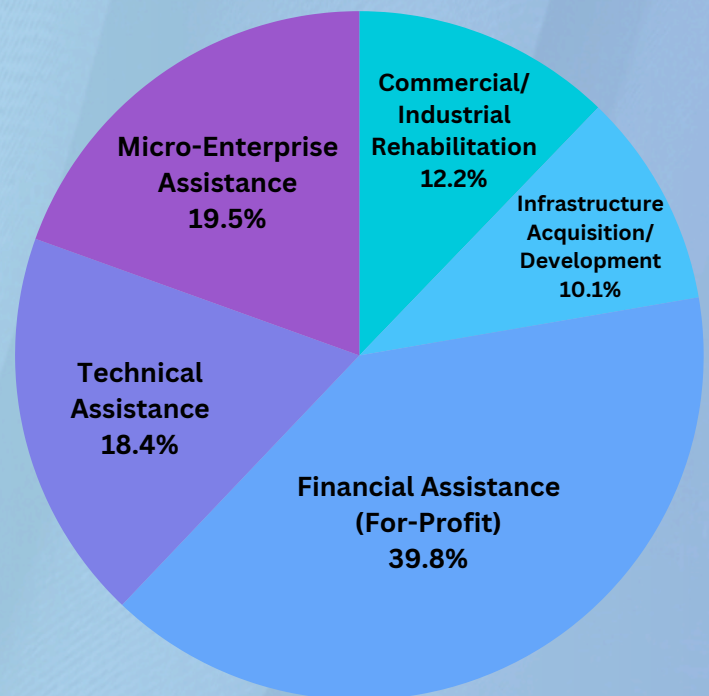


For the past five decades, the CDBG program has been one of the most important resources used by state and local governments to meet community development needs. CDBG is administered by the U.S. Department of Housing and Urban Development (HUD) with the intention of funding a wide range of project areas, principally for low- and moderate-income people. This fact sheet highlights one of CDBG's most important areas.

## ECONOMIC DEVELOPMENT

- **Serves the Nation.** Every State, U.S. Territory, and Congressional District has access to CDBG funding.
- **Improves community well-being.** CDBG serves to maintain quality of life and address critical needs within vulnerable populations through immediate and long term services.
- Since FY2005, CDBG directly facilitated the creation and retention of **563,236 economic development related jobs**, including **14,512 jobs** in FY2023 alone.
- **Accessible to all.** 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.
- **Flexibility for community needs.** CDBG funds are used to support local economic development through small business assistance, commercial rehabilitation, and special economic development activities. These activities help communities tackle economic distress, stimulate private investment, and spur small business and commercial growth by addressing challenges such as the lack of working capital, financing, and adequate infrastructure to attract new businesses.

CDBG ECONOMIC DEVELOPMENT EXPENDITURE BY ACTIVITY, FY2023



## Support CDBG Funding

- **Funding has significantly diminished** since the inception of the program.
- The 2023 enacted appropriation of \$3.3 billion represents approximately **one quarter of the funding level in 1975** when adjusted for inflation, while **the number of grantees has doubled**.
- The CDBG Coalition calls on Congress to provide at least **\$4.2 billion for CDBG formula grants in FY2025**.