



## **PRESS RELEASE**

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### **Recognizing the Community Development Block Grant Program on its 50<sup>th</sup> Anniversary**

**Washington, DC –**

The Community Development Block Grant (CDBG) program was created with bi-partisan support from Congress through the enactment of the Housing and Community Development Act signed by President Gerald Ford on August 22, 1974. The consolidation of eight categorical federal programs (Model Cities, urban renewal, rehabilitation loans, historic preservation, open spaces, neighborhood facilities, water and sewer facilities, and public facility loans that were administered by various federal agencies) into one block grant - CDBG - ushered in a new era of federal grant making: devolving federal responsibility for urban issues to local governments.

The consolidation of these federal programs into CDBG greatly increased the efficiency of the federal grantmaking process by eliminating burdensome multiple federal applications. It provided communities with a single set of program rules and allowed communities to make their own decisions about program resource distribution. At the signing ceremony for the Housing and Community Development Act on August 22, 1974, President Ford said, "I think we can say without any reservation that the move from the narrow programs of the past in community development to programs that are very broad gauged, a consolidation of programs such as Model Cities and urban development, will give a real impetus to local decision making, local action, and local responsibility."

CDBG was created to develop viable communities by providing decent housing, a suitable living environment and expanded economic opportunities. For five decades, the CDBG program has been the most effective and flexible tool used by states and localities to support low- and moderate-income (LMI) populations through four primary activities: housing, public services, public improvements (infrastructure), and economic development. This funding plays a key role in supporting the everyday lives of low- and moderate-income people across the country. It helps preserve and expand affordable housing, contributes extensively to developing infrastructure in areas of need, delivers necessary services and support to vulnerable populations, and helps communities tackle economic distress. The program offers a significant return on investment, and

it is often the first push needed to get the ball rolling for local community development projects. As of FY2023, the program leveraged an average of \$5.02 for every \$1.00 of CDBG grant funding.<sup>1</sup>

CDBG funding annually invests in thousands of local projects that improve the lives of low- and moderate-income people and the communities in which they live. The program reaches every corner of the country from urban cities to rural towns and populations in between. CDBG grantees partner with private and non-profit organizations to deliver program activities. From FY2005 to FY2023, CDBG facilitated the creation and retention of 563,236 economic development related jobs, contributed to infrastructure developments benefitting approximately 57 million persons, assisted over 189 million persons through public service activities, and met the housing needs of over 1.9 million households.<sup>2</sup>

The CDBG framework of program flexibility, local control and decision making, community input and citizen participation, and local planning has left a lasting impression on federal policy and lawmaking and its framework has been used as the model for new programs – Neighborhood Stabilization program, CDBG-Disaster Recovery, CDBG-CV, American Recovery and Reinvestment Act, Empowerment Zones and Enterprise Communities - to name a few.

On this special day, the National Community Development Association is proud to recognize this special milestone and wishes the CDBG another 50 fruitful years! **#CDBG50**

### ***National Community Development Association (NCDA)***

*NCDA is a national association that represents local government departments across the country that administer federally supported community development and affordable housing programs. NCDA members administer HUD Office of Community Planning and Development (CPD) programs – CDBG, HOME, Homeless Assistance Grants, and HOPWA. Since 1969, NCDA has been at the forefront in securing federal resources and designing effective and responsive housing and community development programs for local governments. NCDA is an association of people committed to assisting local governments achieve high quality, locally responsive programs for making communities better places in which to live and work, particularly for low- and moderate-income people.*

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<sup>1</sup> U.S Department of Housing and Urban Development, FY2025 Congressional Justifications, p. 18-3. <sup>2</sup> U.S. Department of Housing and Urban Development, CDBG National Accomplishment Report.