

EXAMPLES OF HOW CDBG FUNDS MAY BE USED

Acquisition of Real Property:

The acquisition of real property in whole or in part by purchase, long-term lease, donation, or otherwise. A permanent interest in the property must be obtained. (Including long term leases for periods of 15 years or more)

Eligible Activities

- Cost of property
- Cost of surveys, and/or appraisals
- Cost of preparation of legal documents
- Recordation fees
- Other costs necessary to effect the acquisition

Ineligible Activities

- Cost of moveable equipment
- Furnishings
- Construction costs for new housing

Public Facilities and Improvements (*excluding "buildings for the general conduct of government"*)

Public Facilities - Facilities operated so as to be open to the general public, such as neighborhood firehouses, public schools, and libraries. Also facilities that are designed for use in providing shelter for persons having special needs are considered to be public facilities (and not permanent housing), and thus are covered under this category of basic eligibility. (i.e. nursing homes, convalescent homes, hospitals, shelters for victims of domestic violence, shelters and transitional facilities/housing for the homeless, halfway houses for run-away children, drug offenders or parolees, group homes for the developmentally disabled and shelters for disaster victims.)

Public Improvements – site improvements of any kind that are made to property that is in public ownership are considered to be a public improvement eligible for assistance under this category. (i.e. streets, sidewalks, curbs and gutters, parks, playgrounds, water and sewer lines, flood and drainage improvements, parking lots, utility lines, and aesthetic amenities on public property such as trees, sculptures, pools of water and fountains, and other works of art.)

Eligible Activities

- Construction
- Reconstruction
- Rehabilitation (including removal of architectural barriers to accessibility)
- Installation of public improvements or facilities

Ineligible Activities

- Costs of operating or maintaining public facilities or improvements
- Costs of purchasing construction equipment
- Costs of furnishings and other personal items such as uniforms
- New construction of public housing

Public Services

(CAP = Maximum of 15% of total annual grant amount plus previous years program income – FY 06
Estimated amount available = \$90,750)

Public services must be either a new service or a quantifiable increase in the level of a service, above that which has been provided by, or on behalf, of general local government through funds raised by such unit during the 12 months prior to submission of the applicable Action Plan. (Prevents substitution of CDBG funds for recent support of public services by the grantee using local or State government funding. May be substituted for private or other Federal funds)

Eligible Activities

Labor
Supplies
Child care
Job training
Education programs
Services for senior citizens
Drug Abuse Counseling and treatment
Homebuyer down payment assistance

Public safety services
Materials & other costs
Health care
Recreation programs
Fair Housing activities
Services for homeless persons
Energy Conservation counseling and testing
Welfare (excluding income payments)

Costs of operating and maintaining that portion of a facility in which the service is located.

Ineligible Activities

Political activities
Ongoing grants or non-emergency payments (defined as more than 3 consecutive months) to individuals for their food, clothing, rent, utilities, or other income payments).

Rehabilitation

Micro-enterprise Assistance
Homeownership Assistance

Ineligible Activities

New housing construction

Income payments