

Community Development Block Grant (CDBG)

CFDA: 14.218

Administering Federal Agency: U.S. Department of Housing and Urban Development (HUD), Office of Community Planning and Development

Description: The [CDBG program](#) works to ensure decent affordable housing, to provide services to the most vulnerable in our communities, and to create jobs through the expansion and retention of businesses.

HUD determines the amount of each grant by using a formula comprised of several measures of community need, including the extent of poverty, population, housing overcrowding, age of housing, and population growth lag in relationship to other metropolitan areas.

CDBG funds in two communities: entitlement (bigger cities and urban areas) and non-entitlement communities. Non-entitlement funding is overseen by the state. 70 percent of CDBG funds go to entitlement communities and 30 percent to non-entitlement communities. Funding decisions are made at the local level. Organizations interested in receiving CDBG funding—entitlement or non-entitlement—must apply to their local government agency.

HUD also oversees the Community Development Block Grant Disaster Recovery Program ([CDBG-DR](#)). CDBG-DR funds are flexible grants to cities, counties, and states recovering from Presidentially-declared disasters. HUD then issues a notice in the Federal Register that serves as regulations for states and communities receiving funds.

Find your state/local administrator: To find your CDBG administrator go [here](#) and check “CDBG” under “Programs”.

Amount of available funding: To find contact

information, report, awards, jurisdiction, and other data for organizations that receive HUD funding, including CDBG, go [here](#).

Matching Requirements: States may use up to a maximum of [3 percent](#) of their CDBG allocations for administrative costs. Amounts expended on administration exceeding \$100,000 must be matched.

Potential uses: According to [Chapter 2](#) of [HUD’s Guide to National Objectives and Eligible Activities for State CDBG Programs](#), legal services are an eligible use of CDBG funds: “Legal services (including walk-in legal counseling, foreclosure mitigation and prevention, landlord/tenant matters, veteran and public benefit appeals, child support orders, reasonable accommodations for persons with disabilities, and consumer protection).”

In Chapter 2’s discussion of categories of eligible activities and situations in which public services activities carried out by nonprofits can exceed limits placed on public services expenditures (e.g., the 15% cap), the CDBG Guide explains that one of those situations includes legal services: “Any services provided by a nonprofit development group that are specifically designed to increase economic opportunities through job training and placement and other employment support services (for example,... *legal services to secure or retain employment...*)” (p. 54).

[CDBG can also be used](#) for the “acquisition (including long term leases for periods of 15 years or more), construction, rehabilitation (including removal of architectural barriers to accessibility), or installation.” With few exceptions, public facilities and improvements [are intended to benefit all residents in an area](#). To qualify, “they [the grantee] must serve an area having a sufficiently high percentage of L/M

income persons.”

Following a disaster declaration, Congress may appropriate [CDBG Disaster Recovery](#) (CDBG-DR) funding. Similar to CDBG, grantees must use at least 70 percent of their CDBG-DR to benefit low and moderate income households. CDBG regulations apply, unless they are modified in the Federal Register. Unlike CDBG, CDBG-DR allows states to use waivers and alternative requirements to best direct the funds for disaster relief.

Other Helpful Information:

- Both the CARES Act and American Rescue Plan Act appropriated supplemental CDBG funds – often referred to as CDBG-CV – to help communities respond to the pandemic. The supplemental funds included the [Indian Community Development Block Grant](#) and [Native American and Native Hawaiian Housing Block Grants](#). Some jurisdictions may still be spending these supplemental funds.
- [New guidelines for CDBG-DR](#) funds were published on February 3, 2022 in the Federal Register, emphasizing climate-change mitigation and equity for underserved communities.
- HUD has a [guide](#) to national objectives and eligible activities that can help you understand the program.
- CDBG requires grantees (states, cities, counties) to develop and follow a plan that encourages citizen participation, particularly the participation of low- and moderate-income citizens – and their social service providers – in areas where the [grantee proposes to use CDBG funds](#). The plan must provide citizens -- which could include court stakeholders -- with access to local meetings, information, and records related to the proposed and actual use of funds. Consolidated plans are filled with valuable information about use of CDBG funds in your jurisdictions and are available [here](#).
- Read the [case study under the heading Focus on a Specific Funding Source](#) about a Philadelphia program that tapped CDBG funds to provide

full representation in eviction cases, an in-court Tenant Help Center, Lawyer of the Day program, Court Navigators, a tenant hotline, pro bono support, financial counseling, and community outreach through tenants’ rights workshops.