



Community Development Block Grant (CDBG)

The Community Development Block Grant (CDBG) is administered by the Department of Housing & Urban Development (HUD). CDBG is a flexible program that provides communities with resources to address a wide range of unique community development needs. CDBG funds must be used toward project activities that meet one of three HUD National Objectives:

- Principally benefits low and moderate income persons.
- Aids in the prevention or elimination of slums or blight.
- Addresses imminent threat to public health or safety.

Commerce submits a five year state plan to HUD in order to receive CDBG allocations. This state plan is submitted as a comprehensive state plan which includes three other HUD programs; Emergency Shelter Grants (ESG), Housing Opportunities for Persons with AIDs (HOPWA), and Home Investment Partnerships Program (HOME).

Commerce receives approx. \$11 million annually to provide funding to Washington State cities/towns with less than 50,000 in population and not participating in a CDBG entitlement urban county consortium; and counties with less than 200,000 in population. Larger cities and urban counties receiving CDBG funding directly from HUD and are not eligible for CDBG funding provided through Commerce. Special purpose districts, public housing authorities, community action agencies, economic development councils, other non-profit organizations, and Indian tribes are also not eligible to apply directly to Commerce for CDBG funding, but may be a partner in projects and/or sub-recipients of funding with an eligible city/town or county applicant.

How CDBG funds are utilized in eligible areas of the state is determined by Commerce approved funding application developed by the local cities/towns and counties to address specific needs in their area. There are six different types of CDBG grants:

- General Purpose Grants - For public infrastructure, community facilities, affordable housing, or economic development.
- Economic Opportunity Grants - For state and local priority economic development and energy related projects that promote vibrant rural communities.
- Planning-Only Grants - For planning activities that improve community services, public safety or further strategic planning.
- Housing Enhancement Grants - For off-site infrastructure or the community facility component of a state housing trust fund project.
- Imminent Threat Grants - For unanticipated emergencies posing a serious immediate threat to public health and safety.
- Public Services Grants - For county and community action agencies to fund new or expanded services to lower income persons

Of the different types of CDBG grants, the Public Services Grants are those that may be used for services, such as employment activities. Only 15% of the CDBG allocation may be used toward services. There are currently no CDBG funds being utilized for employment type services.