



CITY OF SEASIDE, CA

COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM (CDBG)

PROGRAM POLICIES AND PROCEDURES



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TABLE OF CONTENTS

Definitions..... 3

Overview of Allocation of CDBG Funds..... 7

A Detailed Plan for Citizen Participation..... 8

CDBG Allocation Process..... 9

Eligible Entities..... 9

National Objectives – A Program Priority 10

Eligible Activities..... 11

Project Timelines..... 11

 Overview..... 12

 Acquisition of Real Property..... 12

Public Facilities and Improvements..... 14

Clearance/Demolition..... 16

Public Service..... 17

Rehabilitation..... 19

Construction of Housing..... 22

Code Enforcement..... 24

Economic Development and Special Economic Development Activities..... 25

Special Activities by Community Based Development Organizations (CBDO)..... 28

Micro Enterprise Assistance..... 29

Homeownership Assistance..... 31

Reconstruction..... 32

Handicapped Accessibility..... 33

Ineligible Activities..... 34

Program Resources - Leveraging and Matching..... 37

Measuring Performance of CDBG Funded Activities..... 38

Seaside Reporting/Implementation Procedures..... 40

Internal Controls and Reporting to Resource Management Services..... 40

Other Federal Laws, Regulations, and Executive Orders 41

Appendixes..... 45

 Program Year Timeline..... 45

 FY 2011 Income Limits..... 48

 FY 2012 Rent Limits..... 48

 Seaside Area Map..... 49

 Census Tract/Block Group Information..... 50

The CDBG program is a flexible program that provides communities with resources to address a wide range of unique community development needs. Beginning in 1974, the CDBG program is one of the longest continuously run programs at the Department of Housing and Urban Development (HUD). The program is authorized under Title 1 of the Housing and Community Development Act of 1974, Public Law 93-383, as amended; [42 U.S.C.-5301](#), et seq.

It is important to understand what you are reading. With HUD's many acronyms, we chose to put the definitions first.

DEFINITIONS

Area Benefit available to all the residents in a particular area, in which at least 51% of those residents are low/mod income persons.

Buildings for the general conduct of government - includes city halls, county administrative buildings, State capitol or office buildings or other facilities in which the legislative, judicial or general administrative affairs of the government are conducted. Such term does not include such facilities as neighborhood service centers or special purpose buildings located in low and moderate income areas that house various non-legislative functions or services provided by government at decentralized locations.

CDBG funds - means Community Development Block Grant funds, including funds received in the form of grants under [subpart D, E](#), or [570.405](#) of this part, funds awarded under section [108\(q\)](#) of the Housing and Community Development Act of 1974, loans guaranteed under [subpart M](#) of this part, urban renewal surplus grant funds, and program income as defined in [570.500\(a\)](#).

CPD – means the U.S. Department of Housing and Urban Development's Office of Community Planning and Development.

Citizen Participation Plan - A plan that must be developed by all Participating Jurisdictions to describe and document efforts that will be undertaken to provide for and encourage citizens to participate in the development of the Consolidated Plan, any substantial amendments to the Consolidated Plan, the Annual Plan and the performance report.

City Departments – A City Department is any department or division of the City of Seaside with a specialized function and/or responsibility to the principal branch of the official business, duties, or functions of the City.

Commercial building - means any building other than a residential building, including any building constructed for industrial or public purposes

Community Development Advisory Committee (CDAC) - a five (5) member committee of Seaside citizens approved by the Seaside City Council who broadly represent the diversity of the community. Insofar as practical, the committee includes residents of low- and moderate-income areas. General duties of the Community Development Advisory Committee include: (1) Holding neighborhood-planning meetings to solicit community input and assess needs; (2) Assist in the assessment and determination of community needs at both citywide and neighborhood levels and in the development of realistic goals and objectives to meet these needs; (3) Assist in the evaluation and recommendation of proposals from community organizations requesting funding and

assistance; (4) Assist in the development of specific project proposals for community development in the Consolidated Plan; (5) Assist in the development of goals for housing assistance by type and location and make recommendation to the City Council; (6) Assist in the monitoring of current program activities and the evaluation of past program performance; (7) Assist in the implementation of the CDBG program and any modifications as determined by community assessment and HUD program requirements.

Community Development Block Grant Program (CDBG) - A Federal program created under the Housing and Community Development Act of 1974. This program provides grants funds to local and State governments to be used to develop viable urban communities by providing decent housing with a suitable living environment and expanding economic opportunities to assist low- and moderate income residents.

City of Seaside Consolidated Plan - A document written by the local government describing the housing and non-housing needs of the low- and moderate-income residents, outlining strategies to meet the needs and listing all resources available to implement the strategies. This document is required to receive HUD Community Planning and Development funds.

Entitlement amount - means the amount of funds, which a metropolitan city is entitled to receive under the Entitlement grant program, as determined by formula set forth in [Section 106](#) of the Act.

Faith-Based and Religious Organizations - A faith-based / religious organization represents that it is, or may be deemed to be, a religious or denominational institution or organization or an organization operated for religious purposes which is supervised or controlled by or in connection with a religious or denominational institution or organization.

General Public - means pertaining to, or affecting a population or a community as a whole.

Grantee - means the State or other local entity named in the notice of grant award as the recipient.

Governmental Entities (Other/Local) - A department, agency, special purpose district, or other instrumentality of a State or local government.

Integrated Disbursement and Information System (IDIS) - IDIS is the electronic draw down and reporting system for the CDBG Program.

Lease - means an agreement between the entity/applicant and property owner, giving rise to the relationship of lessor and lessee for the use of real property for a specified term of at least one year or longer under the conditions set forth in the lease document.

Limited Clientele a specific group of people (i.e., senior citizens or the homeless), at least 51% of who are low/mod income persons. Services qualifying under this category serve a specific clientele, rather than providing service to all the persons in a geographic area.

Low Income – means a household whose income does not exceed eighty percent (80%) of the median income for the area, as determined by HUD, with adjustments for smaller or larger families. HUD may establish income ceilings higher or lower than eighty percent 80% of the median for the area median on the basis of HUD's findings that such variations are necessary because of prevailing levels of construction costs or fair market rents, or unusually high or low family incomes.

Low- and moderate-income household means a household having an income equal to or less than the Section 8 low-income limit established by HUD. Unrelated individuals will be considered as one-person families for this purpose. Please refer to the current Income Limits attachment included in this document.

Low- and moderate-income person is defined as a member of a family having an income equal to or less than the Section 8 low-income limit established by the U.S. Department of Housing and Urban Development. Please refer to the current Income Limits attachment included in this document.

National Objectives - the aims, derived from national goals and interests, toward which a national policy or strategy is directed and the efforts and resources are applied.

Neighborhood Based Non-Profits - An organization is considered to be neighborhood based if the majority of either its membership, clientele, or governing body are residents of the neighborhood where activities assisted with CDBG funds are to be carried out.

Neighborhood Planning Meeting – The Seaside Community Development Advisory Committee (CDAC) will collaborate with residents, business people, and other community stake-holders to create the City of Seaside Annual Action Plan, as directed by the City Council and the City of Seaside Five-Year Consolidated Strategic Plan. The goal of this effort is to create a shared vision of the future development of the community and to set policies and guidelines to implement that vision.

Nonprofit organization - means any nonprofit organization (including a State or locally chartered, nonprofit organization) that:

- Is organized under State or local laws;
- Has no part of its net earnings to the benefit of any member, founder, contributor, or individual;
- Has a functioning accounting system that is operated in accordance with generally accepted accounting principles, or has designated an entity that will maintain such an accounting system; and
- Has among its purposes significant activities related to providing services or housing to economically disadvantaged persons.
- A non-profit organization must have its 501(c)(3) or (4) IRS tax-exempt status at the time of submission of the Application for Funding.

Notice of Funds Availability (NOFA) – means an announcement of the availability of CDBG grant funding, awarded on a competitive basis, which is intended to make grant funds available to eligible entities who serve the citizens of Seaside for the purpose of enhancing the City's ability in implementing a shared vision of community development for the community.

Person with disabilities - means a household composed of one or more persons, at least one of whom is an adult, who has a disability.

Property - means real property consisting of vacant land or buildings, or a portion thereof; one or more buildings on an undivided lot or on contiguous lots or parcels, which are commonly-owned and operated as one rental, cooperative, or condominium project.

Public building - means any building, which is open to the public during normal business hours.

Public Service Agencies - A public service agency is an association or corporation, duly organized to promote and undertake community development activities on a **not for profit** basis within a neighborhood or community.

Rehabilitation - means the labor, materials, tools, and other costs of improving buildings, other than minor or routine repairs.

Renovation - means rehabilitation that involves costs of 75 percent or less of the value of the building before rehabilitation with City of Seaside CDBG funds.

Residential building - means any building, which is constructed for residential occupancy.

Subrecipient - A public agency or nonprofit organization selected by a participating jurisdiction to administer a portion of the grantee's CDBG funds.

Supportive Services - Services provided to citizens to facilitate independence. Examples include case management, medical or psychological counseling and supervision, childcare, transportation, and job training.

Total Development Cost - The sum of all costs for site acquisition, relocation, demolition, rehabilitation, construction and equipment, interest, and carrying charges.

Transitional housing - means a project that has as its purpose facilitating the movement of homeless individuals and families to permanent housing within a reasonable amount of time (usually 24 months). Transitional housing includes housing primarily designed to serve deinstitutionalized homeless individuals and other homeless individuals with mental or physical disabilities and homeless families with children.

UNIT is considered to be:

- ~**PERSONS** for Public Services Applications and Code Enforcement Applications
- ~**ONE (1)** for each Acquisition, Facility Improvement/Rehabilitation, Clearance/Demolition
- ~**ONE (1)** household for Housing Construction, Homeownership Assistance, Handicapped Accessibility
- ~**ONE (1)** for Economic Development LOAN-Commercial Rehab

Urgent Need is part of an activity designed to alleviate existing conditions and the grantee certifies that those conditions are a serious and immediate threat to the health and welfare of the community, they are of recent origin or recently became urgent, the grantee is unable to finance the activity on its own and other sources of funds are not available

Value of the building - means the monetary value assigned to a building by an independent real estate appraiser, or as otherwise reasonably established by the grantee or the State recipient.

OVERVIEW OF ALLOCATION OF CDBG PROGRAM FUNDS

Through a direct allocation from HUD, the City of Seaside annually receives Community Development Block Grant (CDBG) Program funds. With receipt of these funds and in keeping with

the CDBG Program laws and regulations, the City of Seaside is allowed to allot its allocation in the following manner:

- **maximum of twenty percent (20%)** of the annual allocation, including current year program income, for eligible and reasonable planning and administrative costs associated with the CDBG Program.
- **maximum of fifteen percent (15%)** of the annual allocation, including prior year program income, may be reserved for **public service** activities undertaken by **eligible entities**.
- **remaining funds** are available for other, non-public service type, **eligible activities** to be undertaken by **eligible entities**.

The funding cycle is consistent with the state fiscal year – July through June therefore, preparation begins in the winter with final funding approval in the summer.

City of Seaside CDBG funds are allocated through a competitive process, with citizen participation, the cornerstone of the CDBG program, as outlined in the City's Citizen Participation Plan.

A DETAILED PLAN FOR CITIZEN PARTICIPATION (SCPP)

A CDBG **grantee** must develop and follow a detailed plan, which provides for, and encourages, citizen participation and which emphasizes participation by persons of low, or moderate-income, particularly residents of predominantly low and moderate-income neighborhoods, slum or blighted areas, and areas in which the grantee proposes to use CDBG funds. The plan is referred to as the City of Seaside Citizen Participation Plan (SCPP).

The plan must:

- provide citizens with reasonable and timely access to local meetings, information, and records related to the grantee's proposed and actual use of funds;
- provide for public hearings to obtain citizen views and to respond to proposals and questions at all stages of the community development program, including at least the development of needs, the review of proposed activities, and review of program performance;
- provide for timely written answers to written complaints and grievances; and
- identify how the needs of non-English speaking residents will be met in the case of public hearings where a significant number of non-English speaking residents can be reasonably expected to participate.

The City of Seaside has developed a Citizen Participation Plan (SCPP) that describes how the City will involve citizens in the planning, implementation and assessment of the use of its CDBG Program. The City of Seaside Citizen Participation Plan (SCPP) was developed by the City's Resource Management Services Department under the guidance and requirements of **24 CFR Part 91.105** and complying with **Section 104(a)(3)** of the **Housing and Community Development Act of 1974 (42 U.S.C. 5304(A)(3))** and was approved by the Seaside City Council on January 19 2012.

The SCPP was developed to provide for and encourage citizen's involvement, particularly those living in slum and blighted areas and in areas where CDBG funds are proposed to be used. Residents of predominately low-and moderate-income neighborhoods, are encouraged to participate in the development of the Consolidated Plan, any substantial amendments to the Consolidated Plan and the annual evaluation and performance report (CAPER). The SCPP also provides for

appropriate actions to encourage the participation of all citizens, including minorities and non-English speaking persons, as well as persons with disabilities. Additionally, the SCPP provides for, in conjunction with the Monterey County Housing Authority, the participation of public and assisted housing development residents. Furthermore, the SCPP also establishes a reasonable opportunity for citizens to comment on changes to the Citizens Participation Plan and the Consolidated Plan and makes them available, on request, in a format accessible to persons with disabilities.

Annually, the City conducts Neighborhood Planning Meetings to receive input from citizens and community organizations regarding the annual allocation and expenditure of CDBG funds. Notices of the neighborhood planning meetings is published in the Monterey County Coast Weekly and posted on public bulletin boards throughout the community. The meetings are conducted by the Seaside Community Development Advisory Committee and the Resource Management Services staff. The Neighborhood Planning Meetings are held at designated locations within the community to receive suggestions from citizens for projects/programs and to obtain the citizens views. Written and oral suggestions are accepted, presented, and discussed. General information is also provided at the meetings as either a form of brochures/handouts and or an audio/visual presentation with translation in Spanish or interpreted by a Spanish speaking person. All persons attending the meetings will be registered and minutes of the meetings will be recorded.

CDBG ALLOCATION PROCESS

The process begins with **Neighborhood Planning Meetings**, followed by the publication of a **Notice of Funds Availability (NOFA)** and requests for proposals for **eligible activities** from **eligible entities**. The process continues with presentation of proposed **eligible activities** (projects/programs) by **eligible entities** to the Community Development Advisory Committee (CDAC). CDAC prioritizes the proposals in accordance with the **National Objectives** and **eligible activities** that will benefit low- and moderate-income persons through **Area Benefit, Limited Clientele**, or by **Urgent Need**. CDAC prepares their recommendations and presents those priority proposals, through two Public Hearings, to the Seaside City Council. Upon Council approval, the proposed projects/programs/ activities are submitted to HUD for final approval, which is generally granted in late June. Resource Management Services Staff prepares and executes grant agreements and the approved proposals from eligible entities can begin their project/program/activity.

All proposals submitted for funding must:

- be made by an eligible entity;
- meet the criteria of an eligible activity;
- meet one of the CDBG National Objectives;
- comply with performance measurements;
- comply with project timelines;
- be consistent with the City of Seaside 2010-2015 Consolidated Plan; and
- be approved by City Council and HUD.

Each of the above requirements is outlined below.

ELIGIBLE ENTITIES

Eligible entities of the City of Seaside Community Development Block Grant Funds (CDBG) are those entities that qualify according to [24 CFR 570.500\(C\)](#).

Eligible entities include:

- **Public Service Agencies** - A public service agency is an association or corporation, duly organized to promote and undertake community development activities on a **not for profit*** basis within a neighborhood.
- **Neighborhood Based Non-Profits** - An organization is considered to be neighborhood based if the majority of either its membership, clientele, or governing body are residents of the neighborhood where activities assisted with CDBG funds are to be carried out.
- **Faith-Based and Religious Organizations** - A faith-based / religious organization represents that it is, or may be deemed to be, a religious or denominational institution or organization or an organization operated for religious purposes which is supervised or controlled by or in connection with a religious or denominational institution or organization.
- **City Departments** – A City Department is any department or division of the City of Seaside with a specialized function and/or responsibility to the principal branch of the official business, duties, or functions of the City.
- **Other (local) Governmental Entities** - A department, agency, special purpose district, or other instrumentality of a State or local government.

***A non-profit organization must have its 501(c)(3) or (4) IRS tax-exempt status and in good standing with the State of California, at the time of submission of the Application for Funding.**

NATIONAL OBJECTIVES – A PROGRAM PRIORITY

HUD awards grants to entitlement community grantees to carry out a wide range of community development activities directed toward revitalizing neighborhoods, economic development, and providing improved community facilities and services. Entitlement communities develop their own programs and funding priorities through the **citizen participation** process. However, grantees must give maximum feasible priority to activities, in which the **beneficiaries are low- and moderate-income persons**. A grantee may also carry out activities, which aid in the prevention or elimination of slums or blight. Additionally, grantees may fund activities when the grantee certifies that the activities meet other community development needs having a particular urgency because existing conditions pose a serious and immediate threat to the health or welfare of the community and other financial resources are not available to meet such needs (Example: public services provided to deal with major catastrophes or emergencies such as floods and earthquakes).

To be considered for CDBG funding from the City of Seaside, a project/program must meet one (1) of the three (3) National Objectives:

- benefit low and moderate (L/M) income persons; or
- aid in the prevention or elimination of slums or blight; or
- meet other community development needs that the Seaside City Council has established as having a particular urgency because existing conditions pose a serious immediate threat to the health or welfare of the community and other financial resources are not available to meet such needs.

CDBG funds may not be used for activities that do not meet one of these broad national objectives.

ELIGIBLE ACTIVITIES

Each year, not less than 70 percent of CDBG funds must be used for activities that benefit low- and moderate-income persons. In addition, each activity must be conducted within the corporate city limits of Seaside, serve the citizens of Seaside, and meet *one* of the National Objectives for the CDBG program.

Eligible activities include, but are not limited to:

- acquisition of real property;
- relocation and demolition;
- rehabilitation of residential and non-residential structures;
- construction, development, or improvement of public facilities and/or facility improvements, such as water and sewer facilities, streets, neighborhood centers, and the conversion of school buildings for eligible purposes;
- public and human services that are a new service; or an existing service that will deliver a quantifiable increase in the level of service that has been provided by the agency during the past year. The “quantifiable” increase will equate to a 15% increase in people/households assisted;
- activities relating to energy conservation and renewable energy resources;
- provision of assistance to profit-motivated businesses to carry out economic development and job creation/retention activities;
- preservation and expansion of the stock of decent, safe and affordable housing to the low and moderate income populations; and
- economic development activities to increase the economic viability of low and moderate income neighborhoods and expand the opportunities for low and moderate income persons to obtain and retain meaningful employment.

CDBG funds can also be used by the grantee or other public or private **non-profit** entity for the acquisition, construction, reconstruction, rehabilitation or installation of public facilities and improvements, except for buildings for the general conduct of government, provided the improvements meet a national objective of the CDBG program. Reference [24 CFR 570.201\(C\)](#)

PROJECT TIME LINES

Communities that receive entitlement funds from the CDBG program are required to use their funds in a timely manner. HUD will consider an entitlement community to be failing to carry out its CDBG activities in a timely manner if, the amount of entitlement grant funds available but not disbursed by the U.S. Treasury is more than 1.5 times the entitlement grant for its current program year. Reference 24 CFR § 570.902 (a) The City of Seaside will be assessed in March and April of each program year.

Therefore, the City of Seaside has established a specific length of time for completion of each activity in order to avoid forfeiture of the CDBG funding from HUD.

The following represents the maximum time line allowed for each type of project/program/activity:

<u>MUST</u> be completed within the fiscal year funded (July 1 to June 30)	<u>MUST</u> be completed within 18 months beginning the first day of the fiscal year funded with completion not later than 18 months after initial funding.	<u>MUST</u> begin no later than three (3) months from the first day of the fiscal year funded (October 1), with full project completion within 18 months after initial funding.
<ul style="list-style-type: none"> ● Acquisition of Real Property ● Clearance, Relocation, and Demolition ● Public Services ● Code Enforcement (Administration) ● Homeownership Assistance ● Energy Conservation/Renewable Energy Resources 	<ul style="list-style-type: none"> ● Public Facilities and or Facility Improvements ● Rehabilitation-Residential, Commercial/ Industrial, and Other ● Construction of Housing 	<ul style="list-style-type: none"> ● Handicap Accessibility/ Architectural Barrier Removal ● Economic Development and Special Economic Development ● Special Activities by CBDO's ● Micro-Enterprise Assistance ● Preservation/Expansion of affordable housing (reconstruction)

PUBLIC SERVICES

Under this category, CDBG funds may be used to provide public services (including labor, supplies, materials and other costs),

Public service activities include, but are not limited to the following:

- child care
- health care
- job training (including training a qualified pool of candidates for unspecified jobs [see Special Economic Development Activities and Special Activities by CBDOs categories])
- recreation programs
- education programs
- public safety services
- fair housing activities (but see Program Administration category),
- services for senior citizens
- services for homeless persons
- drug abuse counseling and treatment
- energy conservation counseling and testing
- homebuyer down payment assistance
- welfare (but excluding provision of income payments described at §570.207(b)(4)).
- cost of operating and maintaining that portion of a facility in which the service is located is also considered to fall under the basic eligibility category of Public Services, even if such costs are the only contributions made by CDBG for those services
- Purchase or lease of personal property for a public service - The purchase or lease of furnishings, equipment, or other personal property needed for an eligible public service may be paid for with CDBG funds. Reference: **§570.207(b)(1)(iii)**

The following Public services are not eligible under this category:

- political activities; Reference **§570.207(a)(3)**

- 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. Reference [§570.207\(b\)\(4\)](#)

The public service being proposed must be:

- a new service; or
- a continued service being provided by a currently funded non-profit organization; or
- a quantifiable increase in the level of a service above that which has been provided, by or on behalf of the unit of general local government through funds raised by such unit or received by such unit from the State in which it is located, during the 12 months prior to submission of the grantee’s applicable Action Plan. (This requirement is intended to prevent the substitution of CDBG funds for recent support of public services by the grantee using local or State government funds.) The “quantifiable” increase will equate to a 15% increase in people/households assisted.
 - **An exception to this limitation may be granted by HUD if it is determined that the level of service from the previous period has decreased for reasons beyond the unit of local government’s control. Reference: [§570.201\(e\)](#)**

The amount of CDBG funds obligated within a program year to support public service activities under this category **may not exceed 15% of the total grant awarded to the grantee for that year.** (Calculation = Current Entitlement + Prior Year Program Income X 15%)

PROJECT TIME LINE: Public Services activities MUST be completed within the fiscal year funded.

Public service activities may qualify as meeting a national objective in any of the ways shown in the chart below.

NATIONAL OBJECTIVES for PUBLIC SERVICES		
OBJECTIVE	QUALIFIES IF	EXAMPLE
L/M INCOME AREA BENEFIT	The public service is available to all the residents in a particular primarily residential area, and at least 51% of those residents (or less if the exception criteria are applicable) are L/M income persons.	Increased police and fire protection services in a predominantly L/M income neighborhood.
L/M INCOME LIMITED CLIENTELE	The public service is limited to a specific group of people, at least 51% of whom are L/M income persons. Services qualifying under this category serve a specific clientele, rather than providing service to all the persons in a geographic area.	Provision of meals to the homeless. (Most public services qualify under this category.)
L/M INCOME HOUSING	NOT APPLICABLE	NOT APPLICABLE
L/M INCOME JOBS	NOT APPLICABLE	NOT APPLICABLE
SLUM or BLIGHTED AREA	The public service is provided within a designated slum or blighted area, and is designed to address one or more conditions which contributed to the deterioration of the area.	Provision of crime prevention counseling to residents of a designated slum/blight area.

SPOT BLIGHT	NOT APPLICABLE	NOT APPLICABLE
URGENT NEEDS	The public service is designed to alleviate existing conditions that pose a serious and immediate threat to the health or welfare of the community, they are of recent origin or recently became urgent, and the grantee is unable to find other available funds to support the activity.	Additional police protection to prevent looting in an area damaged by a tornado

ACQUISITION OF REAL PROPERTY

Entities submitting a proposal requesting acquisition of a property, in whole or in part by purchase, long-term lease, donation, or otherwise, must obtain a permanent interest in the property. A long-term lease is considered to constitute a permanent interest for this purpose if, the lease is for a period of fifteen years or more. **The National Objective for an acquisition activity is determined entirely on the use of the acquired real property following its acquisition.**

The statute and regulations authorize the use of CDBG funds by a grantee or a public or private nonprofit entity to acquire real property in whole or in part by purchase, long-term lease, donation, or otherwise. In order to be considered acquisition, a permanent interest in the property must be obtained. Long-term leases are considered to constitute a permanent interest for this purpose if the lease is for a period of 15 years or more.

More specifically, CDBG funds may be used under this category by:

The grantee (City of Seaside), any other public agency, a public nonprofit entity, or a private nonprofit entity to acquire real property for any public purpose. This precludes the acquisition cost attributable to a building that will be used for the general conduct of government and the acquisition of property to be used for political activities. Reference: [§570.207\(a\)\(1\)](#); [§570.207\(a\)\(3\)](#); [§570.201\(a\)](#)

Real property to be acquired may be:

- land
- air rights
- easements
- water rights
- rights-of-way
- buildings
- other real property improvements
- other interests in the real property

Costs that may be paid for with CDBG funds under this category include the cost of surveys to identify the property to be acquired, appraisals, the preparation of legal documents, recordation fees, and other costs that are necessary to effect the acquisition.

Real property acquisition under this category does not include: The costs of moveable equipment, furnishings, or machinery if this is the principal purpose of the activity, since such items are not real property.

Under certain circumstances, CDBG funds may be provided to private individuals and private for-profit entities to acquire property to be rehabilitated, if the property is then rehabilitated and used or sold for residential purposes. Reference: [§570.202\(b\)\(1\)](#)

Private non-profit entities may use CDBG funds to acquire real property for commercial or industrial uses, and private for-profit entities may also do so when appropriate for an economic development project. References: [§570.203\(a\)](#) and [\(b\)](#)

If property acquired with CDBG funds, or any interest therein, is subsequently transferred to another entity, the property or interest must be sold to the entity at the current fair market value unless the property will be used for an activity, which meets a CDBG national objective. Sale proceeds would be considered program income and shall be returned to the City of Seaside.

The purchase of real property by the grantee or other entities under this eligibility category is subject to the requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970. Among other things, this could mean that persons displaced as a result of the acquisition must be provided with financial assistance. Temporary easements, acquisition from another public agency, and voluntary offers in response to a public solicitation are exempt from Uniform Act requirements. Reference: [§570.606](#).

PROJECT TIME LINE: Acquisition of Real Property activities must be completed within the fiscal year funded.

Acquisition of real property may qualify as meeting a national objective in any of the ways shown in the chart below.

NATIONAL OBJECTIVES for ACQUISITION OF REAL PROPERTY		
OBJECTIVE	QUALIFIES IF	EXAMPLE
L/M INCOME AREA BENEFIT	The property will be used for an activity the benefits of which are available to all the residents in a particular area that is primarily residential, and at least 51% of those residents (or fewer if the exception criteria apply) are L/M income persons.	Purchasing land to be used as a park serving a primarily residential neighborhood that is predominantly L/M income.
L/M INCOME LIMITED CLIENTELE	The property will be used for an activity the benefits of which will be limited to a specific group of people, at least 51% of whom are L/M income persons.	Buying a building to be converted into a shelter for the homeless.
L/M INCOME HOUSING	The property will be used for housing to be occupied by L/M income persons.	Buying an apartment house to provide dwelling units to L/M income households at affordable rents, where at least 51% of the units will be occupied by L/M income households.
L/M INCOME JOBS	The property acquired is to be used for an economic development project that will create or retain permanent jobs at least 51% of which will benefit L/M income persons.	Acquiring vacant property that is planned to be used for a commercial purpose, and will be made available for that purpose only if the business commits to provide at least 51% of the new permanent jobs that will be created to L/M income persons.

SLUM or BLIGHTED AREA	The acquired property is in an area designated by the grantee as a slum or blighted area, and the property will be used in a manner, which addresses one or more of the conditions, which contributed to the deterioration of the area.	Using CDBG funds to acquire several deteriorated buildings located in a slum/blight area for rehabilitation or demolition.
SPOT BLIGHT	The acquisition of property is located outside a designated slum/blight area and the acquisition is a prerequisite for clearance, which will eliminate specific conditions of blight or physical decay on a spot basis.	The acquisition of a dilapidated property being used as a “crack house” for the purpose of eliminating that use, which is detrimental to public health and safety, through demolition and clearance.
URGENT NEEDS	The acquisition is part of an activity designated to alleviate existing conditions and the grantee certifies that those conditions are a serious and immediate threat to the health or welfare of the community, they are of recent origin or recently became urgent, the grantee is unable to finance the activity on its own, and other sources of funds are not available.	Acquisition of property located in a flood plain which was severely damaged by a recent flood.

PUBLIC FACILITIES and IMPROVEMENTS

CDBG funds may be used by the grantee or other public or private nonprofit entities for the following activities:

- acquisition (including long term leases for periods of 15 years or more)
- construction
- reconstruction
- rehabilitation (including removal of architectural barriers to accessibility)
- installation of public improvements or facilities (except for buildings for the general conduct of government - reference: §570.201(c))

The regulations define the terms “public facilities” or public improvements.” However, in the CDBG program, these terms are broadly interpreted to include all improvements and facilities that are either publicly owned or that are traditionally provided by the government, or owned by a nonprofit, and operated so as to be open to the general public. This would include neighborhood facilities, firehouses, public schools, and libraries.

The regulations specify that 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.

Such shelters would include, but not limited to, the following:

- 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
- shelters for disaster victims.

Public improvements include:

- 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.

In the CDBG program, 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. New housing constructed on the property directly assisted with CDBG funds would not be eligible under program rules.

Public facilities and improvements not eligible under this category include:

- costs of operating or maintaining public facilities/improvements;
- costs of purchasing construction equipment;
- costs of furnishings and other personal items such as uniforms; or
- new construction of public housing. Reference [§570.207\(b\)\(2\)](#), [§570.207\(b\)\(1\)\(i\)](#), [§570.207\(b\)\(1\)\(iii\)](#), [§570.207\(b\)\(3\)](#)

PROJECT TIME LINE: Public Facilities and Improvements activities MUST be completed within 18 months beginning the first day of the fiscal year funded with completion not later than 18 months after initial funding.

Public Facilities and Improvements may qualify as meeting a national objective in any of the ways shown in the chart below.

NATIONAL OBJECTIVES for PUBLIC FACILITIES and IMPROVEMENTS		
OBJECTIVE	QUALIFIES IF	EXAMPLE
L/M INCOME AREA BENEFIT	The public facility or improvement will be used for a purpose the benefits of which are available to all the residents in a particular area that is primarily residential, and at least 51% of those residents (or less if grantee qualifies to use the exception rule) are L/M income persons.	Paving of gravel streets and the installation of curbs, gutters, and sidewalks in a predominantly L/M income neighborhood.
L/M INCOME LIMITED CLIENTELE	The public facility or improvement will be used for an activity designed to benefit a particular group of persons at least 51% of whom are L/M income persons.	Rehabilitation of a building to be used as a center for training severely disabled persons to enable them to live independently.
L/M INCOME HOUSING	The public facility or improvement exclusively assists in the provision of housing to be occupied by L/M income persons.	Site improvements on publicly-owned land to serve a new apartment structure to be rented to L/M income households at affordable rents.

L/M INCOME JOBS	The provision of a particular public improvement needed by one or more businesses to allow creation or retention of jobs, primarily for L/M income persons.*	Rebuilding a public road adjacent to a factory to allow larger and heavier trucks access to the facility, determined to be necessary for plant expansion and the creation of new jobs, where the business agrees to fill 51% of the jobs with L/M income persons.†
SLUM or BLIGHTED AREA	The public facilities and improvements are located in a designated slum or blighted area and are designed to address one or more conditions, which contributed to the deterioration of the area.	Reconstruction of a deteriorated public park located in an area designated by the grantee as slum or blighted pursuant to CDBG rules.
SPOT BLIGHT	The public facilities or improvements are for the historic preservation or rehabilitation of blighted or decayed public facilities/improvements located outside of a designated slum or blighted area. Rehabilitation must be limited to the extent necessary to eliminate specific conditions detrimental to public health and safety.	Rehabilitation/restoration of a severely deteriorated building of historic significance that is being used as a museum that is located outside a designated slum or blighted area (and does not serve a L/M income area).
URGENT NEEDS	The acquisition, construction, or reconstruction of a public facility or improvement designed to alleviate existing conditions and the grantee certifies that those conditions are a serious and immediate threat to the health or welfare of the community, the conditions are of recent origin, and there is no other known source of funds it can use to implement the activity.	Reconstruction of a publicly-owned hospital that was severely damaged by a tornado.

† In certain cases, the area served by a public improvement that enables a business to create or retain jobs may also include other properties (e.g., bringing new water or sewer service to a fringe area of a community that will not only help a business to locate there but that also will bring that new water/sewer service to houses that are located in that area). When, overall, the properties served by the public improvement are primarily residential, the benefits to the residents must also be considered. Therefore, the assisted public improvement in such a case must not only meet the L/M Income Benefit based on the Jobs criteria but must also meet the Area Benefit criteria Reference: [§570.208\(d\)\(3\)](#)

- ~ A facility owned by a nonprofit entity may qualify for assistance only if the facility is made available to the general-public. A facility must be open for use by the general-public during all normal hours of operation.
- ~ Fees charged by the entity shall not be excessive or cause an effect that precludes low-and moderate- income persons from using the facilities assisted with CDBG funding.

CLEARANCE/DEMOLITION

Under this category, CDBG funds may be used for: demolition of buildings and improvements; removal of demolition products (rubble) and other debris; physical removal of environmental contaminants or treatment of such contaminants to render them harmless; and movement of structures to other sites. Reference: [§570.201\(d\)](#)

Where activities under this category are integral to the construction of a building or improvement on the cleared property, and where such construction is also to be assisted with CDBG funds, the clearance activities may be treated as a part of the construction costs and need not be qualified separately under the program.

PROJECT TIME LINE: Clearance/Demolition activities must be completed within the fiscal year funded.

Clearance/Demolition activities may qualify as meeting a national objective in any of the ways shown in the chart below.

NATIONAL OBJECTIVES for CLEARANCE		
OBJECTIVE	QUALIFIES IF	EXAMPLE
L/M INCOME AREA BENEFIT	The cleared property will be used for a purpose, the benefits of which are available to all the residents in a particular area, and at least 51% of those residents (or less if the exception criteria are applicable) are L/M income persons.	Demolishing a vacant structure and removing the debris to make a neighborhood park and playground serving a predominantly residential L/M income neighborhood.
L/M INCOME LIMITED CLIENTELE	The cleared property will be used for an activity the benefits of which are limited to a specific group of people, at least 51% of whom are L/M income persons.	Demolishing a dilapidated structure from the site on which a neighborhood center will be built, the use of which will be limited to the elderly.
L/M INCOME HOUSING	The cleared property will be used for providing housing to be occupied by L/M income persons. Rental units for L/M income persons must be occupied at affordable rents.	Demolishing an abandoned warehouse to make room for new apartments, where at least 51% of the units will be occupied by L/M income households at affordable rents.
L/M INCOME JOBS	The clearance is part of an activity that will create or retain permanent jobs, at least 51% of which are for L/M income persons.	Using CDBG funds to clear a site on which a new business will locate and agrees that at least 51% of the jobs to be created will be for L/M income persons.
SLUM or BLIGHTED AREA	The clearance activities are in a designated slum or blighted area and are designed to address one or more conditions, which contributed to the deterioration of the area.	Using CDBG funds to demolish one or more deteriorated buildings located in a designated slum or blighted area .
SPOT BLIGHT	The clearance activity is undertaken to eliminate specific conditions of blight or physical decay on a spot basis not located in a designated slum or blighted area .	Demolition of an abandoned and deteriorated structure located in an area that is not designated as a slum or blighted area .
URGENT NEEDS	The clearance is part of an activity designed to alleviate existing conditions and the grantee certifies that those conditions are a serious and immediate threat to the health or welfare of the community, they are of recent origin or recently became urgent, the grantee is unable to finance the activity on its own, and other sources of funds are not available.	Clearance of a building that was destroyed by a major earthquake and that constitutes a safety hazard to the community.

REHABILITATION

CDBG funds may be used to finance the costs of rehabilitation as shown below.

Eligible types of property

Residential—Residential property, whether privately or publicly owned. This includes manufactured housing when such housing constitutes part of the community’s housing stock.

Commercial/industrial—Commercial or industrial property. When owned by a for-profit, rehabilitation is limited to exterior improvements of the building and the correction of code

violations. (Further improvements for such buildings may qualify under the category of Special Economic Development Activities.)

Other—Nonprofit-owned, nonresidential buildings and improvements that are not considered to be public facilities or improvements under [§570.201\(c\)](#) of the CDBG program regulations.

Note: Additions to existing buildings may be assisted under this category when they are incidental to the rehabilitation of the property, and may be provided as a part of other rehabilitation if the addition does not materially increase the size or function of the building.

Eligible types of assistance

Costs—Costs of labor, materials, supplies and other expenses required for the rehabilitation of property, including repair or replacement of principal fixtures and components of existing structures (e.g., the heating system)‡.

Financing—Grants, loans, loan guarantees, interest supplements and other forms of financial assistance may be provided under this category. (A grantee may make a “lump sum draw down” for the purpose of financing rehabilitation of privately-owned properties. See [§570.513](#) for details.)

Refinancing—Loans for refinancing existing indebtedness secured by a property being rehabilitated with CDBG funds, if such refinancing is determined by the grantee to be necessary or appropriate to achieve its community development objectives.

Property acquisition—Assistance to private individuals and entities (whether profit or not-for-profit) to acquire for the purpose of rehabilitation and to rehabilitate properties for use or resale for residential purposes.

Security devices—Installation costs of sprinkler systems, smoke detectors and dead bolt locks, and other devices for security purposes.

Insurance—The costs of initial homeowner warranty premiums and, where needed to protect the grantee’s interest in properties securing a rehabilitation loan, hazard insurance premiums as well as flood insurance premiums for properties covered by the Flood Disaster Protection Act of 1973, as amended, pursuant to [§570.605](#).

Conservation—Costs required to increase the efficient use of water (e.g., water saving faucets and shower heads) and improvements to increase the efficient use of energy in structures through such means as installation of storm windows and doors, insulation, and modification or replacement of heating and cooling equipment.

Water and sewer—Costs of connecting existing residential structures to water distribution lines or local sewer collection lines.

Tools—Costs of acquiring tools to be lent to owners, tenants and others who will use the tools to carry out rehabilitation.

Barrier removal—Costs to remove material and architectural barriers that restrict the mobility and accessibility of elderly and severely disabled persons to buildings and improvements that are eligible for rehabilitation under this category.

Landscaping, sidewalks, and driveways—The costs of installation or replacement of landscape materials, sidewalks, and driveways when incidental to other rehabilitation of the property.

Renovation of closed buildings—The conversion of a closed building from one use to another (e.g., the renovation of a closed school building to residential use).

Historic preservation—This category also authorizes the costs of preserving or restoring properties of historic significance, whether privately- or publicly-owned, except that buildings for the general conduct of government may not be restored or preserved with CDBG assistance.

Historic properties are those sites or structures that are either listed in or eligible to be listed in the National Register of Historic Places, listed in a State or local inventory of historic

places, or designated as a State or local landmark or historic district by appropriate law or ordinance.

Lead-based paint hazard evaluation and reduction—The costs of evaluating and treating lead-based paint may be undertaken under this category whether alone or in conjunction with other rehabilitation.

Rehabilitation services—Staff costs and related expenses required for outreach efforts for marketing the program, rehabilitation counseling, screening potential applicant households and structures, energy auditing, preparing work specifications, loan underwriting and processing, inspections, and other services related to assisting owners, tenants, contractors, and other entities who are participating or seeking to participate in rehabilitation activities eligible under this category; under the Section 312 of the Housing Act of 1964, as amended; under Section 810 of the Act; or under Section 17 of the United States Housing Act of 1937.

Rehabilitation does not include: Creation of a secondary housing unit attached to a primary unit; Installation of luxury items, such as a swimming pool; Costs of equipment, furnishings, or other personal property not an integral structural fixture, such as: a window air conditioner; or a washer or dryer (but a stove or refrigerator is allowed); or Labor costs for homeowners to rehabilitate their own property.

‡Complying with National Objectives - **Section 105(c)(3)** of the authorizing statute, the Housing and Community Development Act of 1974, requires that, in order for an activity that involves the acquisition or improvement of property for housing to qualify as benefiting L/M income persons, the housing must be occupied by such persons. Even though a particular housing activity may provide a clear benefit to an area containing predominantly L/M Income residents, it cannot qualify on that basis. Instead, the housing must be occupied by L/M Income households.

PROJECT TIME LINE: Rehabilitation activities MUST be completed within 18 months beginning first day of the fiscal year funded with completion not later than 18 months after initial funding.

Rehabilitation activities may qualify as meeting a national objective in any of the ways shown in the chart below.

NATIONAL OBJECTIVES for REHABILITATION		
OBJECTIVE	QUALIFIES IF	EXAMPLE
L/M INCOME AREA BENEFIT	Rehabilitation of a building to be used for a purpose that will benefit all the residents of a qualifying L/M income primarily residential area.	Facade improvements to a commercial structure serving a predominantly L/M income primarily residential area.
L/M INCOME LIMITED CLIENTELE	NOT APPLICABLE	NOT APPLICABLE
L/M INCOME HOUSING	Rehabilitation of housing to be occupied by L/M income persons. Rental units must be occupied at affordable rents.	Conversion of an abandoned warehouse into rental housing for L/M income households at affordable rents. Also improvements to a single family residence used as a place of business provided the improvements generally benefit the unit's residential occupants.

L/M INCOME JOBS	Rehabilitation of nonresidential property that will create or retain jobs for L/M income persons.	Correction of code violations that will enable a business to survive and retain jobs the majority of which are held by L/M income persons.
SLUM or BLIGHTED AREA	Rehabilitation of residential structures located in a designated slum or blighted area; the structure to be rehabilitated is considered substandard under local definition before rehabilitation, and all deficiencies making the structure substandard are corrected before less critical work is undertaken. Reference: §570.208(b)(1)(iv)	Rehabilitation of substandard housing located in a designated blighted area and where the housing is expected to be brought to standard condition and sold to non-L/M income households.
SPOT BLIGHT	Rehabilitation of a structure located outside a designated slum or blighted area, where the rehabilitation is limited to the extent necessary to eliminate specific conditions of blight or decay that are detrimental to public health and safety. Rehabilitation of the deteriorated exterior of an abandoned building located in an area that has not been designated as slum or blighted and where the rehabilitation is limited to removal of the exterior blight.	Rehabilitation of plumbing in a building located in an area that has not been designated as slum or blighted and where rehabilitation is limited to corrections of code violators that are detrimental to public health and safety.
URGENT NEEDS	The rehabilitation is part of an activity designed to alleviate existing conditions for which the grantee certifies are a serious and immediate threat to the health or welfare of the community, the conditions are of recent origin or recently became urgent, the grantee is unable to finance the activity on its own, and other sources of funds are not available.	Rehabilitation of housing that has been badly damaged by an earthquake.

~ Entities submitting a proposal requesting rehabilitation to real property must own the property or have a long-term lease of at least fifteen years, provide proof of ownership or lease at the time the proposal is submitted, and the property must be located within the corporate city limits of Seaside. If the facility to be rehabilitated is a commercial property, an Asbestos survey must be performed. If Asbestos is present, the hazard must be abated and a clearance test must be conducted, conclude with the asbestos hazard being removed before any building permits can be issued. If the facility to be rehabilitated is to be used for housing and the facility was constructed prior to 1978, the facility must be tested for lead-based paint by a State Certified Lead Paint Inspector. If the facility is confirmed to contain lead hazards exceeding acceptable levels, the lead must be abated and a clearance test must be conducted and conclude with the lead hazard being removed. Entities may include the cost of an Asbestos survey, or Lead Paint inspection-abatement-clearance testing as part of architectural, engineering, surveying, and pre-development costs however, these actions may not be performed until after the grant agreement is executed at the beginning of the program year.

CONSTRUCTION OF HOUSING

Under this category, CDBG funds may be used in certain specified circumstances to finance the construction of new permanent residential structures. The following identifies those limited circumstances:

~ Grantees may use CDBG funds in a housing construction project that has received funding through a Housing Development Grant (a HODAG). Reference: [§570.201\(m\)](#)

~ Grantees may construct housing of last resort under [24 CFR Part 42, Subpart I](#). (This is housing that the grantee has determined must be constructed in order to provide suitable replacement housing for persons to be displaced by a contemplated CDBG project, subject to the Uniform Act, and where the project is prevented from proceeding because the required replacement housing is not available otherwise.) Reference: [§570.207\(b\)\(3\)](#)

Note: Other than these two situations, new housing construction is ineligible under the CDBG program, unless carried out under the authority of the basic eligibility category, “Special Activities by CBDOs.[A CBDO is a Community Based Development Organization]

Conversion: It should be noted that the cost of converting an existing nonresidential structure to residential is not generally considered to constitute new construction under the CDBG program and is thus covered under the basic eligibility category of Rehabilitation. However, in some cases, the conversion may involve construction that goes beyond the envelope of the non-residential structure. Where this is the case, the grantee should consult with the local HUD field office to ensure that the extent of such construction would not constitute new construction of housing and thus be ineligible for CDBG assistance. Reference: [§570.202](#)

PROJECT TIME LINE: Construction of Housing activities MUST be completed within 18 months beginning first day of the fiscal year funded with completion not later than 18 months after initial funding.

New housing construction activities may qualify as meeting a national objective in any of the ways shown in the chart below.

NATIONAL OBJECTIVES for CONSTRUCTION of HOUSING		
OBJECTIVE	QUALIFIES IF	EXAMPLE
L/M INCOME AREA BENEFIT	NOT APPLICABLE	NOT APPLICABLE
L/M INCOME LIMITED CLIENTELE	NOT APPLICABLE	NOT APPLICABLE
L/M INCOME HOUSING	The new housing will be occupied by L/M income households. Rental units must be occupied at affordable rents.	New construction of “last resort” housing needed for a L/M income household being displaced by a CDBG-assisted project.
L/M INCOME JOBS	NOT APPLICABLE	NOT APPLICABLE
SLUM or BLIGHTED AREA	New housing qualifies if: (1) The new housing is located with a designated slum or blighted area, and (2) Development of new housing addresses one of the conditions, which contributed to the deterioration of the area.	Luxury apartments constructed with HODAG assistance on a site in a designated slum/blight area.
SPOT BLIGHT	NOT APPLICABLE	NOT APPLICABLE
URGENT NEEDS	The new housing is needed to respond to a threat to the health or welfare of the community of recent origin and no other funding is available to meet the threat and the new construction is eligible (or the statutory waiver Authority for Presidentially-declared disasters is exercised.	Housing needed to replace units completely destroyed by a flood and needed to be built in a new location.

CODE ENFORCEMENT

Code enforcement involves the payment of salaries and overhead costs directly related to the enforcement of state and/or local codes. CDBG funds may be used for code enforcement only in deteriorating or deteriorated areas where such enforcement, together with public or private improvements, rehabilitation, or services to be provided, may be expected to arrest the decline of the area. Reference: [§570.202\(c\)](#)

CDBG funds may be used to pay the salaries of inspectors enforcing codes in a blighted area being renewed through comprehensive treatment.

Code enforcement does not include: Inspections for the purpose of processing applications for rehabilitation assistance and overseeing such rehabilitation [such inspections may be eligible under the Rehabilitation category and they are not limited by the restrictions on the eligibility of code enforcement]; Correcting code enforcement violations identified during inspections.

Code enforcement expenditures are not to be included in costs subject to the 20% limit on planning and administration, even though all expenditures are for staff and related costs because they are considered to be an activity delivery cost.

PROJECT TIME LINE: Code Enforcement activities MUST be completed within the fiscal year funded.

Code enforcement activities may qualify as meeting a national objective in any of the ways shown in the chart below.

NATIONAL OBJECTIVES for CODE ENFORCEMENT		
OBJECTIVE	QUALIFIES IF	EXAMPLE
L/M INCOME AREA BENEFIT	The code enforcement is targeted at a deteriorated or deteriorating area delineated by the grantee and: (1) At least 51% (or less if the upper quartile applies) of the residents of the area are L/M income persons; and (2) The code enforcement, together with public improvements, rehabilitation, and services to be provided, may be expected to arrest the decline of the area.	Code enforcement efforts in a L/M income deteriorated neighborhood targeted for rehabilitation assistance, construction of a neighborhood facility, and street reconstruction.
L/M INCOME LIMITED CLIENTELE	NOT APPLICABLE	NOT APPLICABLE
L/M INCOME HOUSING	NOT APPLICABLE	NOT APPLICABLE
L/M INCOME JOBS	NOT APPLICABLE	NOT APPLICABLE
SLUM or BLIGHTED AREA	The code enforcement is targeted at a designated slum or blighted area and: (1) Is designed to address one or more of the conditions which contributed to the deterioration of the area; and (2) The code enforcement, together with public improvements, rehabilitation, and services to be provided, may be expected to arrest the decline of the area.	Building inspections for code violations in a designated blighted area, which are part of a comprehensive effort to arrest decline in that area.
SPOT BLIGHT	NOT APPLICABLE	NOT APPLICABLE

<p>URGENT NEEDS</p>	<p>While this situation is likely to be infrequent, it is possible for code enforcement to qualify if: (1) The code enforcement is targeted at a deteriorated or deteriorating area; (2) The code enforcement, together with public or private improvements, rehabilitation, and services to be provided, may be expected to arrest the decline of the area; and (3) The grantee is able to certify that the existing conditions which the code enforcement is designed to alleviate pose a serious and immediate threat to the health or welfare of the community, they are of recent origin or recently became urgent, the grantee is unable to finance the activity on its own, and other sources of funds are not available.*</p> <p>* In cases where disaster causes the blight of an area, it may be easier to qualify the code enforcement under the “Slum or Blighted Area” category than under the “Urgent Need” category.</p>	<p>Code enforcement activities taking place in an area that has been severely affected by a flood, and is part of the community’s overall response to the emergency.</p>
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ECONOMIC DEVELOPMENT and SPECIAL ECONOMIC DEVELOPMENT ACTIVITIES

PREFACE The purpose of this preface is to distinguish the concept of “economic development” from the term “special economic development activities” as used in the CDBG program. “Economic development” is generally thought of in two ways within the context of CDBG activities: the very broad concept of the term as distinguished from “special economic development activities” as that term is used at [24 CFR 570.203](#).

“Economic development” can be interpreted very broadly to include all endeavors aimed at sustaining or increasing the level of business activity. Under this broad concept, most CDBG activities could, under the right circumstances, be viewed as economic development. For example, the level of business activity in a jurisdiction could be helped through development of a community economic development plan, improvements to the public infrastructure, through better housing, or an enhanced level of public services.

An economic development project in the CDBG program may be supported by a range of CDBG-funded activities, including both special economic development activities and other categories of basic eligibility, each of which must meet a national objective of the CDBG program.

In contrast, the term “special economic development activities” is used in the CDBG program to identify three types of activities described below and at [§570.203\(a\), \(b\), and \(c\)](#) of the regulations.

CDBG funds may be used for the following special economic development activities:

- ~ Commercial or industrial improvements carried out by the grantee or a nonprofit subrecipient, including: • acquisition, • construction, • rehabilitation, • reconstruction, or • installation of commercial or industrial buildings or structures and other related real property equipment and improvements.
- ~ Assistance to private for-profit entities for an activity determined by the grantee to be appropriate to carry out an economic development project. This assistance may include, but is not limited to: • grants; • loans; • loan guarantees; • interest supplements; • technical assistance; or • any other form except for those described as ineligible in [§570.207\(a\)](#), such as political activities.
- ~ Economic development services in connection with the above subcategories, including outreach efforts to market available forms of assistance, screening of applicants, reviewing and

underwriting applications for assistance, preparation of agreements, management of assisted activities, and the screening, referral, and placement of applicants for employment opportunities generated by CDBG-eligible economic development activities. The costs of providing necessary job training for persons filling those positions may also be provided. Reference: **§570.203(a), (b) and (c)**

Under this type of assistance, displacement of existing businesses and jobs in neighborhoods shall be minimized, to the greatest extent practical.

Special economic development activities may include the following:

- Construction by the grantee or subrecipient of a business incubator designed to provide inexpensive space and assistance to new firms to help them become viable businesses.
- Loans to pay for the expansion of a factory or commercial business.
- Technical assistance to a business facing bankruptcy.
- Providing training needed by persons on welfare to enable them to qualify for jobs created by CDBG-assisted special economic development activities.

Special economic development activities do not include: .

- Assistance to a for-profit business in the form of lobbying or other political activities. Reference: §570.207(a)(3) . Public facilities and improvements carried out to support or benefit a private for-profit business. (These activities may, however, be eligible under the category of Public Facilities and Improvements.) Reference: §570.201(c)
- New Housing Construction. This activity may be eligible under either of the categories of Construction of Housing or Special Activities by CBDOs. When a project to be assisted includes new construction of housing as part of a commercial structure (e.g., a “mixed use” project), those costs clearly attributable to the commercial portion of the project may be eligible as a special economic development activity. References: §570.201(m) and §570.204
- Planning for economic development projects, including conducting market surveys to determine an appropriate type of business to attempt to attract to a particular area, developing individual commercial or industrial project plans, and identifying actions to implement those plans. Such planning activities may be eligible under the category of Planning and Capacity Building. Reference: §570.205
- Job training, unless part of a CDBG-eligible economic development activity that will create or retain permanent jobs. Such other training may be eligible under the categories of Public Services or Special Activities by CBDOs. References: §570.201(e) and §570.204

PROJECT TIME LINE: Special Economic Development activities MUST begin no later than three (3) months from the first day of the fiscal year funded (January 1), with full project completion within 18 months after initial funding.

Special Economic Development Activities may qualify as meeting a national objective in any of the ways shown in the chart below.

NATIONAL OBJECTIVES for ECONOMIC and SPECIAL ECONOMIC DEVELOPMENT ACTIVITIES		
OBJECTIVE	QUALIFIES IF	EXAMPLE
L/M INCOME AREA BENEFIT	The assistance is to a business, which provides goods or services to residents of a L/M income residential area.	Assistance to neighborhood businesses such as grocery stores and laundromats, serving a predominantly L/M income neighborhood.

L/M INCOME LIMITED CLIENTELE	The only use of CDBG is to provide job training or other employment support services as part of a CDBG-eligible economic development project, and the percent of total project cost contributed by CDBG does not exceed the percent of all persons assisted who are L/M income.	Training for the 30 new employees, 10 of whom are L/M income, hired by a manufacturer adding new machinery to its plant where CDBG pays no more than one-third of the total cost of the project, including the training.
L/M INCOME HOUSING	NOT APPLICABLE	NOT APPLICABLE
L/M INCOME JOBS	The assisted project involves the creation or retention of jobs at least 51% of which benefit L/M income persons.	Financial assistance to a manufacturer for the expansion of its facilities which is expected to create permanent jobs, at least 51% of which will be taken by L/M income persons.
SLUM or BLIGHTED AREA	The assistance is to a business in a designated slum or blighted area and addresses one or more of the conditions, which contributed to the deterioration of the area.	A low-interest loan to a business as an inducement to locate a branch store in a redeveloping blighted area.
SPOT BLIGHT	The assistance is to a business located outside of a designated slum or blighted area where: (1) The assistance is designed to eliminate specific conditions of blight or physical decay; and (2) The assistance is limited to the following activities: acquisition, clearance, relocation, historic preservation, and building rehabilitation. Rehabilitation must be limited to the extent necessary to eliminate specific conditions detrimental to public safety and health.	Financial assistance to a business to demolish a decayed structure it owns in order to assist the business in constructing a new building on the site.
URGENT NEEDS	The assistance to a commercial or industrial business is designed to alleviate existing conditions and the grantee certifies that such conditions pose a serious and immediate threat to the health or welfare of the community, they are of recent origin or recently became urgent, the grantee is unable to finance the activity on its own, and other sources of funds are not available.	Assistance in reconstructing the only grocery store in a remote part of an urban county that was damaged by a hurricane, where no other funds are available for the reconstruction.

MICRO ENTERPRISE ASSISTANCE

Under this category, grantees and other public or private organizations may use CDBG funds to facilitate economic development through the establishment, stabilization, and expansion of micro enterprises. Reference: [**§570.201\(o\)**](#)

This category authorizes the use of CDBG funds to provide financial assistance of virtually any kind to an existing micro enterprise or to assist in the establishment of a micro enterprise. It also authorizes the provision of:

- ~ Technical assistance to a new or existing micro enterprise or to persons developing a micro enterprise, and
- ~ General support to owners of micro enterprises or to persons developing a micro enterprise.

Note that under the subcategory of “general support,” CDBG funds may be used to provide services of any kind that may be needed by the owner of or person developing a micro enterprise to enable the establishment, stabilization, or expansion of the business. This could include, for example, child care, transportation, counseling, and peer support programs. Any such services

provided under this authority are not subject to the cap on public services regardless of the entity providing the service.

It should also be noted that financially or technically assisting a micro enterprise may also be carried out under the basic eligibility categories of Special Economic Development Activities and Special Activities by CBDOs. However, if carried out under either of those categories, such assistance would be subject to the requirements concerning Public Benefit. References: [§570.203](#), [§570.204](#), and [§570.209](#)

Definitions:

“Micro enterprise” means a business having five or fewer employees, one or more of whom owns the business.

“Person developing a micro enterprise” means any person who has expressed an interest and who is, after an initial screening, expected to be actively working towards developing a business that is expected to be a micro enterprise at the time it is formed.

Because micro enterprises are for-profit businesses, most of the guidelines for meeting national objectives under the category of Special Economic Development Activities also apply here.

PROJECT TIME LINE: Micro Enterprise Assistance activities MUST begin no later than three (3) months from the first day of the fiscal year funded (January 1), with full project completion within 18 months after initial funding.

See the following chart for further elaboration on meeting the national objectives. Reference: §570.208(a)(2)(iii)

NATIONAL OBJECTIVES for MICRO ENTERPRISE ASSISTANCE		
OBJECTIVE	QUALIFIES IF	EXAMPLE
L/M INCOME AREA BENEFIT	The micro enterprise assisted provides services to a residential area that has a sufficiently high percentage of L/M income persons.	A small carry-out store in a neighborhood having more than 51% L/M income residents.
L/M INCOME LIMITED CLIENTELE	The micro enterprise assistance is provided to a L/M income person who owns or is developing a micro enterprise. Assisting a resident of public housing to establish a business providing child care.	Assisting a resident of public housing to establish a business providing child care.
L/M INCOME HOUSING	NOT APPLICABLE	NOT APPLICABLE
L/M INCOME JOBS	The micro enterprise assisted will create or retain jobs, 51% or more of which will benefit L/M income persons.	Assisting in the expansion of a house cleaning service with two employees that agrees to hire an additional L/M income person for the business.

SPECIAL ACTIVITIES BY COMMUNITY BASED DEVELOPMENT ORGANIZATIONS (CBDOS)

Preface - The purpose of this preface is to emphasize the distinction between subrecipients and Community-Based Development Organizations (CBDOS) as they relate to the CDBG program.

The term “**subrecipient**” is defined at [§570.500\(c\)](#) to mean a public or private nonprofit agency, authority, or organization, or a for-profit entity authorized under §570.201(o) to provide micro enterprise assistance, receiving CDBG funds from the grantee to undertake activities eligible under the CDBG program.

While the types of organizations that qualify as CBDOs generally would meet the above description, the subrecipient definition at [§570.500\(c\)](#) excludes CBDOs unless the CBDO is specifically designated by the grantee to be a subrecipient for CDBG program purposes.

Designation of an entity as a subrecipient affects the following: • whether any income that may be generated by a CDBG-funded activity that is received by the entity is considered to be CDBG program income; • whether the grantee must enter into a written agreement with the entity containing requirements specified at §570.503 (although the grantee could elect to enter into such an agreement with a CBDO whether or not it is designated as a subrecipient); and • whether the entity is bound by the general administrative requirements imposed by the OMB Circulars in its administration of the CDBG funds provided to it by the grantee (although a grantee could require a CBDO to abide by these requirements as a condition of providing CDBG funds to the entity, without the need to designate it as a subrecipient).

A qualified CBDO can only carry out the following three (3) types of eligible projects.:

- Neighborhood revitalization: Activities undertaken under this provision must be of sufficient size and scope to have an impact on the decline of a designated geographic location within the jurisdiction of the grantee (but not the entire jurisdiction of an entitlement community unless it has a population of 25,000 or less). The activities to be considered for this purpose are not limited to those funded (or to be funded) with CDBG assistance.
- Community Economic Development: This type of project must include activities that increase economic opportunity, principally for low- and moderate-income persons, or that are expected to create or retain businesses or permanent jobs within the community. Housing activities may be included within this project type if they can clearly link the need for affordable housing accessible to existing or planned jobs, or otherwise address the Consolidated Plan’s definition of “expanded economic opportunity” at [24 CFR Part 91.1\(a\)\(1\)\(iii\)](#).
- Energy Conservation: Activities carried out under this provision are clearly designed to conserve energy for the benefit of residents within the grantee’s jurisdiction. An example of this type of project may involve the construction of energy efficient housing where substantial savings in heating and/or cooling costs can expect to be realized.

In order to qualify as a CBDO, an entity must meet the eligibility criteria specified at [§570.204\(c\)\(1\), \(2\), or \(3\)](#). Generally, this means that the entity must:

- Be organized under State or local law to carry out community development activities. For entitled communities, the entity must operate primarily within an identified neighborhood within the grantee’s jurisdiction.
- Maintain at least 51% of its governing body’s membership to consist of any combination of the following:
 - low- and moderate-income residents of its area of operation,
 - owners or senior officers of private establishments and other institutions located in and serving its geographic area of operation, or

- representatives of low- and moderate-income neighborhood organizations located in its geographic area of operation.
- Require that members of the governing body must be nominated and approved by the organization’s general membership or by its permanent governing body (except as otherwise authorized in [§570.204\(c\)\(1\)\(v\)](#)).
- Have as its primary purpose the improvement of the physical, economic, or social environment of its geographic area of operation, with particular emphasis on the needs of low- and moderate-income persons.
- Be either nonprofit or for-profit, but, if a for-profit, only incidental monetary benefits to its members are allowed.
- Not be an agency or instrumentality of the grantee, and not permit more than one-third of its governing body to be appointed by or consist of elected or other public officials or employees of the grantee (or of any other entity that could not qualify as a CBDO), even if such persons would otherwise meet the requirements described above.
- Not be subject to the reversion of its assets to the grantee upon dissolution (although a grantee may specify as a condition of providing CDBG funds to the entity that any assets related to the specific CDBG assistance being provided must revert to the grantee, whether or not the grantee designates the CBDO as a subrecipient. (Application of the reversion of assets clause under [§570.503\(b\)\(8\)](#) would be required for any CBDO designated as a subrecipient and would function to permit the specific assets purchased with the CDBG funds to revert back to the grantee. This would not constitute a violation of the [§570.204](#) requirement.)
- Be free to contract for goods and services from vendors of its own choosing (a sign that the entity is not an agent of the grantee).

The authority conveyed under this category requires that the CBDO **“carry out”** the funded activities. This means that the CBDO will undertake the activity directly or through contracts with an entity other than the grantee. In any case where the CBDO provides CDBG funds to another entity, it must be clear that the CBDO has a direct and controlling interest in how and where the activities are undertaken. The purpose of this restriction is to ensure that the grantee itself is not playing a major and controlling interest in the funded activities. Perhaps the “litmus test” for this purpose is whether the entity has the authority, independent of the grantee, to stop the project if something is going wrong.

Ineligible Activities – Special activities by CBDOs do not include:

Any activity described in [§570.207\(a\)](#) as ineligible. That is, buildings for the general conduct of government, general government expenses, and political activities.

Any activity that would violate the specific limitations described below:

- • provision of public services in violation of the prohibition against substituting CDBG for State or local funds as set forth in [§570.201\(e\)](#), or that would exceed the dollar limitations described under [§570.201\(e\)\(1\) and \(2\)](#) unless the regulations otherwise provide that the services are exempt from that cost limitation. Reference: [§570.204\(b\)\(2\)](#)
- • planning and administrative activities that are eligible under [§570.205](#) or [§570.206](#) which would result in the grantee exceeding the 20% cost limitation on such activities, unless the regulations specifically provide that the activity is exempt from that cost limitation. Reference: [§570.204\(b\)\(4\)](#)

With regard to complying with the National Objectives, the majority of activities carried out by a CBDO under this authority are also eligible under other categories of funding with CDBG funds.

PROJECT TIME LINE: CBDO activities MUST begin no later than three (3) months from the first day of the fiscal year funded (January 1), with full project completion within 18 months after initial funding.

HOMEOWNERSHIP ASSISTANCE

Under the provisions at [§570.201\(n\)](#), grantees and their subrecipients may provide financial assistance to low- and moderate-income households to assist them in the purchase of a home.

The specific purposes for which financial assistance using CDBG funds may be provided under this category are to:

- Subsidize interest rates and mortgage principal amounts, including making a grant to reduce the effective interest rate on the amount needed by the purchaser to an affordable level. (The funds granted would have to be applied towards the purchase price.) Alternatively, the grantee/subrecipient could make a subordinate loan for part of the purchase price, at little or no interest, for an amount of funds the payments on which, together with that required under the first mortgage, would be affordable to the purchaser.
- Finance the cost of acquiring property already occupied by the household at terms needed to make the purchase affordable.
- Pay all or part of the premium (on behalf of the purchaser) for mortgage insurance required up-front by a private mortgagee. (This would include the cost for private mortgage insurance.)
- Pay any or all of the reasonable closing costs associated with the home purchase on behalf of the purchaser.
- Pay up to 50% of the down payment required by the mortgagee for the purchase on behalf of the purchaser.

Note especially that the use of funds under this category is specifically limited to assisting low- and moderate-income households. Reference: [§570.201\(n\)](#)

Because the use of CDBG funds authorized under this category is limited to assisting low- and moderate-income households, any such use of funds would clearly qualify under the national objective of benefit to low- and moderate-income persons-housing activities, and no further consideration needs to be given here. Reference: [§570.208\(a\)\(3\)](#)

PROJECT TIME LINE: Homeownership Assistance activities must be completed with in the fiscal year funded.

RECONSTRUCTION

Reconstruction became explicitly eligible for CDBG assistance as a result of a legislative change under section 225 of the Omnibus Consolidated Rescissions and Appropriations Act of 1996 (P.L. 104-234, enacted April 26, 1996). This change [in section 105(a)(4) of the Housing and Community Development Act of 1974 as amended] broadens grantees' ability to use CDBG funds for

“reconstruction” of properties. Grantees have thus been able to make use of this provision since enacted.

While the statute does not define the term **“reconstruction,”** for CDBG purposes, it is generally **defined as meaning the rebuilding of a structure on the same site in substantially the same manner.** Deviations from the original design are permitted for reasons of safety or if otherwise impractical. The structure to be reconstructed may be residential or nonresidential, and either publicly- or privately-owned.

For reconstruction involving housing, the number of housing units on a site may not be increased, but the number of rooms per unit may be increased or decreased. [Note that any decrease in the number of units on a site may require compliance with the one-for-one replacement of L/M income dwelling units at 24 CFR part 42, subpart C.]

Note that reconstruction is also permitted elsewhere in the regulations under Public Facilities and Improvements [§570.201(c)], Privately Owned Utilities [§570.201(1)], and Special Economic Development Activities [§570.203].

PROJECT TIME LINE: Reconstruction activities MUST begin no later than three (3) months from the first day of the fiscal year funded (October 1), with full project completion within 18 months after initial funding.

HANDICAPPED ACCESSIBILITY **(REMOVAL OF ARCHITECTURAL BARRIERS)**

The statute makes specifically eligible the **removal of material and architectural barriers** that restrict the accessibility or mobility of elderly or handicapped persons.

Confusion has emerged concerning the distinction between removing barriers to accessibility and the need to provide for accessibility. Together, these issues led some grantees and beneficiaries to the impression that the involvement of the removal of barriers would qualify an entire activity for assistance under the CDBG program, or that the additional costs of making even newly constructed buildings accessible to the handicapped should be eligible for CDBG assistance under that authority, whether or not the rest of the building could so qualify.

The passage of the Americans with Disabilities Act (ADA) had much to do with this confusion. Pressure has mounted on grantees to provide accessibility in both public and private places. This has led to some attempts to use CDBG funds to provide accessibility in ways that go well beyond the simple removal of existing barriers. As a result, it became necessary to clarify the regulations.

For many years, the CDBG regulations contained the removal of architectural barriers as a separate category of eligibility. However, this free-standing category was removed in 1995 because of the confusion it seemed to be causing and has been woven into other eligibility categories as appropriate. The regulations also contained (and still contain) a provision indicating that such barrier removal can meet the national objective of benefit to L/M income under Limited Clientele.

Where the construction of a building or improvement is eligible for assistance with CDBG, the costs of making the building or improvement accessible to persons with handicaps is also eligible as an integral cost of the construction and there is no need to provide separate eligibility for such a

purpose. The removal of architectural barriers is now clarified as rehabilitation or reconstruction under the categories of Public Facilities and Improvements, Rehabilitation, and Special Economic Development Activities.

The main issue that is presented in the CDBG program with respect to handicapped accessibility lies in being able to meet a national objective. If the new construction of a public facility or improvement cannot meet a national objective based on either area benefit or the clientele to be served, then the features that are required in such construction in order to provide for accessibility to handicapped persons also cannot meet a national objective. The situation is somewhat different with rehabilitation or reconstruction. Since the cost of removing existing barriers is specifically eligible under the statute, §570.208(a)(2)(ii) provides that removal of accessibility barriers may be presumed to meet the L/M Income Limited Clientele criteria if the costs of such removal is restricted, to the extent practicable, to the removal of such barriers in:

- The reconstruction of a public facility or improvement, or portion thereof, that does not meet the criteria for L/M Income Benefit under Area Benefit,
- The rehabilitation of a privately owned nonresidential building or improvement that does not meet the criteria for L/M Income Benefit under Area Benefit or Jobs, or
- The rehabilitation of the common areas of a residential structure that contains more than one dwelling unit and that does not meet the criteria for L/M Income Benefit under Housing.

In a related matter, the use in the regulations concerning the presumption of L/M income status of handicapped persons became problematical as the use of the term “handicapped” broadened over the past several years to include categories of handicap that do not necessarily heavily impact on a person’s capacity to work in good paying jobs. Thus, when HUD changed the regulations concerning the removal of architectural barriers, it also amended them to revise the term used for this purpose. The regulations now use the term “severely disabled adult” in lieu of “handicapped.”

PROJECT TIME LINE: Handicapped Accessibility activities MUST begin no later than three (3) months from the first day of the fiscal year funded (October 1), with full project completion within 18 months after initial funding.

INELIGIBLE ACTIVITIES

The general rule for CDBG expenditures is that any activity not specifically authorized under the CDBG regulations and statute is ineligible to be assisted with CDBG funds. Thus, the CDBG program regulations identify certain activities as categorically ineligible. They also identify certain other activities that are ineligible unless they are carried out by a CBDO under the authority of [§570.204](#).

The following activities may not be assisted with CDBG funds under any circumstance:

- Buildings or portions thereof, used for the general conduct of government as defined at [§570.3](#) may not be assisted with CDBG funds. This does not include, however, the removal of architectural barriers involving any such building, which may be assisted under the category of Public Facilities and Improvements. Also, where acquisition of real property includes a building or other improvement that would be used for the general conduct of government, the portion of the acquisition cost attributable to the land may be assisted under the category of Acquisition of Real Property. Reference: [§570.207\(a\)\(1\)](#)

- General government expenses. Except as otherwise specifically authorized in **Subpart C of Part 570** or under **OMB Circular A-87**, expenses required to carry out the regular responsibilities of the unit of general local government are not eligible for assistance under this part. Reference: **§570.207(a)(2)**
- Political activities. CDBG funds may not be used to finance the use of facilities or equipment for political purposes or to engage in other partisan political activities, such as candidate forums, voter transportation, or voter registration. However, a facility originally assisted with CDBG funds may be used on an incidental basis to hold political meetings, candidate forums, or voter registration campaigns, provided that all parties and organizations have access to the facility on an equal basis, and are assessed equal rent or use charges, if any. Reference: **§570.207(a)(3)**

The following activities may not be assisted with CDBG funds unless authorized as Special Economic Development Activities under **§570.203** or when carried out by a CBDO under the provisions of **§570.204**.

- Purchase of equipment. The purchase of equipment with CDBG funds is generally ineligible.
 - • Construction equipment. The purchase of construction equipment is ineligible, but compensation for the use of such equipment through leasing, depreciation, or use allowances pursuant to OMB Circulars A-21, A-87, or A-122 as applicable for an otherwise eligible activity is an eligible use of CDBG funds. However, the purchase of construction equipment for use as part of a solid waste disposal facility is eligible under the category of Public Facilities and Improvements [see §570.201(c)].
 - • Fire protection equipment. Fire protection equipment is considered for this purpose to be an integral part of a public facility. Thus, purchase of such equipment would be eligible under the category of Public Facilities and Improvements. This includes fire engines and specialized tools such as “jaws of life” and life-saving equipment as well as protective clothing worn by fire fighters [see §570.201(c)].
 - • Furnishings and personal property. The purchase of equipment, fixtures, motor vehicles, furnishings, or other personal property not an integral structural fixture is generally ineligible. CDBG funds may be used, however, to purchase or to pay depreciation or use allowances (in accordance with OMB Circulars A-21, A-87, or A-122, as applicable) for such items when necessary for use by a recipient or its subrecipients in the administration of activities assisted with CDBG funds, or when eligible as fire fighting equipment, or when such items constitute all or part of a public service pursuant to §570.201(e). Also, these items are eligible when carried out by a for-profit business as part of CDBG assistance under the authority of §570.203(b). Reference: §570.207(b)(1)
- Operating and maintenance expenses. The general rule is that any expense associated with repairing, operating, or maintaining public facilities, improvements, and services is ineligible. Specific exceptions to this general rule are operating and maintenance expenses associated with public service activities [see §570.201(e)], interim assistance [see §570.201(f)], and office space for program staff employed in carrying out the CDBG program (see §570.206). For example, the use of CDBG funds to pay the allowable costs of operating and maintaining a facility used in providing a public service (e.g., salaries, rent) would be eligible under §570.201(e), even if no other costs of providing the service there are assisted with such funds. Examples of operating and maintenance expenses that are generally ineligible include:
 - • Maintenance and repair of publicly-owned streets, parks, playgrounds, water and sewer facilities, neighborhood facilities, senior centers, centers for persons with disabilities, parking, and other public facilities and improvements. Examples of

maintenance and repair activities for which CDBG funds may not be used include the filling of pot holes in streets, repairing of cracks in sidewalks, the mowing of grass in city or county parks, and the replacement of street light bulbs.

- • Payment of salaries for staff, utility costs, and similar expenses necessary for the operation of public works and facilities. Reference: §570.207(b)(2)
- New housing construction. See the discussion of this activity type under the earlier sections of this application entitled Construction of Housing and Special Activities by CBDOs. Reference: §570.207(b)(3)
- Income payments. The general rule is that CDBG funds may not be used for income payments. For purposes of the CDBG program, “income payments” is defined as a series of subsistence-type grant payments made to an individual or family for items such as food, clothing, housing (rent or mortgage), or utilities, but excludes emergency grant payments made over a period of up to three consecutive months directly to the provider of such items or services on behalf of an individual or family. One time grants, emergency type grants, or loans for such purposes may be authorized under the category of Public Services [see §570.201(e)]. Reference: §570.207(b)(4)

Note: Certain activities, even if they would otherwise be eligible under the category of Special Economic Development Activities, cannot be assisted with CDBG funds if they are specifically ineligible under the provisions of the Public Benefit standards under §570.209. For example, assisting a business to create jobs that would cost more than \$50,000 in CDBG funds per job would be unallowable. Also, providing assistance to a professional sports team is not allowed.

REQUIREMENTS FOR APPLICANTS

The focus for CDBG has always been community partnerships. It is for this reason that the City of Seaside solicits proposals from community partners to assist in the dissemination of CDBG funds to activities which benefit the low and moderate income household.

In an effort to maximize its CDBG dollars, the City of Seaside has established the following requirements for agencies requesting CDBG funds, in accordance with local and federal CDBG requirements.

LEVERAGING AND MATCHING

For over 30 years, the Community Development Block Grant (CDBG) Program has provided the Nation a comprehensive and flexible source of funding for empowering people to create viable urban communities. With the uncertainty of future congressional budget appropriations to the CDBG program, entities can no longer solely rely on this single funding source to benefit our low- and moderate-income citizens. Thus, all entities need to explore new and additional ways to combine their City of Seaside CDBG resources with those of other federal agencies, the State, and private sector resources to meet their project/program/activity needs. Without leveraging of resources, significant opportunities are missed.

The City requires entities, applying for its CDBG Program funds to identify leveraging resources and contributions of matching funds for all proposed projects/programs/activities.

Resource Leveraging - is the combination of other federal, state, and private sector funds made available to the entity, for the proposed CDBG project/program/activity. In some cases, the leveraged funds are contingent upon receipt of other funds which, when combined will provide for a completed project/program/activity.

Matching funds are those funds provided for a project/program/activity that **are not derived from another federal fund source**. The entity must be able to document the contribution of matching funds to the CDBG funded project/program/activity in order to count the contribution as matching funds. **Match counted for other Federal programs can not be counted as CDBG match.**

Examples of types of Matching funds

- Cash or cash equivalents from a non-federal source, local, public, or private source [no owner equity]
- Staff time or administrative costs associated with the CDBG project
- Value of waived taxes, fees, or charges associated with the CDBG assisted project
- Value of donated land or real property associated with the CDBG assisted project
- Cost of infrastructure improvements associated with the CDBG assisted project
- Value of donated materials, equipment, labor, and professional services associated with the CDBG assisted project
- Volunteer labor [for unskilled volunteers] associated with the CDBG assisted project
- Direct costs of supportive services to beneficiaries of the CDBG assisted project
- Direct cost of homebuyer counseling to families purchasing homes with CDBG assistance

Match can be earned for investments in the CDBG-assisted project/program/activity regardless of the match type.

MEASURING PERFORMANCE OF CDBG FUNDED ACTIVITIES

The U.S. Department of Housing and Urban Development (HUD) has developed an outcome performance measurement system for the Community Development Block Grant (CDBG) Program. All activities funded with CDBG dollars will be required to comply with the outcome performance measurement system.

The implementation of the outcome performance measurement system and its use by grantees will enable HUD to collect information on the outcomes of activities funded with CPD formula grant assistance. This data will be entered into the Integrated Disbursement and Information System (IDIS) and will be aggregated at the national level to provide HUD with the information necessary to show the national results and benefits of the expenditure of federal funds allocated by Community Planning and Development (CPD) formula grant programs.

The outcome performance measurement system has three overarching objectives: (1) Creating Suitable Living Environments, (2) Providing Decent Affordable Housing, and (3) Creating Economic Opportunities. There are also three outcomes under each objective: (1) Availability/Accessibility, (2) Affordability, and (3) Sustainability. Thus, the three objectives, each

having three possible outcomes, will produce nine possible "outcome/objective statements" within which to categorize formula grant activities.

The intent of the project/program/activity will determine which of the three objectives best describes the purpose of the activity.

The three objectives are:

- **Suitable Living Environment** - In general, this objective relates to activities that are designed to benefit communities, families, or individuals by addressing issues in their living environment.
- **Decent Housing** - Activities that typically would be found under this objective are designed to cover the wide range of housing possible under CDBG. This objective focuses on housing programs where the purpose of the program is to meet individual family or community needs and not programs where housing is an element of a larger effort, since such programs would be more appropriately reported under Suitable Living Environment.
- **Creating Economic Opportunities** - This objective applies to the types of activities related to economic development, commercial revitalization, or job creation and/or opportunities through programs and financial resources that provide assistance and improvement of human performance, motivation, and productivity; bettering the conditions under which people live, learn and work.

Once the objective for the activity is determined, then one of the three outcome categories will reflect what the activity is seeking to achieve. It is important that the data is not diluted by too much information therefore, it is encouraged to appropriately fit the activity with one of the three HUD established outcomes.

The three outcome categories are:

- **Availability/Accessibility.** This outcome category applies to activities that make services, infrastructure, public services, public facilities, housing, or shelter available or accessible to low- and moderate-income people, including persons with disabilities. In this category, accessibility does not refer only to physical barriers, but also to making the affordable basics of daily living available and accessible to low and moderate income people where they live.
- **Affordability.** This outcome category applies to activities that provide affordability in a variety of ways in the lives of low- and moderate-income people. It can include the creation or maintenance of affordable housing, basic infrastructure hook-ups, or services such as transportation or day care.
- **Sustainability: Promoting Livable or Viable Communities.** This outcome applies to projects where the activity or activities are aimed at improving communities or neighborhoods, helping to make them livable or viable by providing benefit to persons of low- and moderate-income or by removing or eliminating slums or blighted areas, through multiple activities or services that sustain communities or neighborhoods.

Each outcome category can be connected to each of the overarching objectives, resulting in nine groups of outcome/objective statements under which the City of Seaside will report the activity or project data to document the results of the funded activities or projects. Each activity will provide one of the following statements [although sometimes an adjective such as new, improved, or corrective may be appropriate to refine the outcome statement]:

- Accessibility for the purpose of creating suitable living environments
- Accessibility for the purpose of providing decent affordable housing

- Accessibility for the purpose of creating economic opportunities
- Affordability for purpose of creating suitable living environments
- Affordability for the purpose of providing decent affordable housing
- Affordability for the purpose of creating economic opportunities
- Sustainability for the purpose of creating suitable living environments
- Sustainability for the purpose of providing decent affordable housing
- Sustainability for the purpose of creating economic opportunity

There are certain data elements commonly reported by all programs. Reporting data elements required for CDBG include:

- Amount of money leveraged (from other federal, state, local, and private sources) per activity;
- Number of persons, households, units, or beds assisted, as appropriate;
- Income levels of persons or households by: 30 percent, 50 percent, 60 percent, or 80 percent of area median income, per applicable program requirements. However, if a CDBG activity benefits a target area, that activity will show the total number of persons served and the percentage of low/mod persons served.
- Race, ethnicity, and disability for persons, households, units or beds assisted, as appropriate.

The standardized “outcome performance measurement system” provides for a uniform reporting format, and therefore the achievements of the CPD grant programs can be aggregated for each grantee locally and for all grantees at the national level.

CITY OF SEASIDE CDBG REPORTING/IMPLEMENTATION PROCEDURES

- In accordance with CDBG regulations, the entities submitting proposals will select one objective and one outcome for each proposed project/activity/program submitted for its performance reporting standard(s).
- Performance measurement and outcome (output) reporting by the entity is required each quarter throughout the program year with a culmination of all performance and outcome reported in the Consolidated Annual Performance and Evaluation Report (CAPER). The CAPER conveys outcomes/output in direct correlation to an entity’s funding application, with annual performance being measured against actual outcome/output and the outcome (proposed and defined) in the entity’s application and grant agreement for funding.
- Minimally, the required quarterly reporting, *regardless of project/activity progress*, will consist of two main reports (as identified below).
 - Report on Program Performance – with indicators based on the project/activity and outcome (e.g. Scope of Service Goals, Quarterly Results, Description of outcome results to date, and a Narrative explaining problems, or accomplishments pertaining to the performance objectives).
 - Beneficiary and Client Characteristics Report, which identifies the number of persons/households assisted, race, ethnicity, disability, age, income level, number of persons in household, etc.)
 - Employee activity will also be required if the entity receives funding for personnel or staff related costs.

- Quarterly reports will be due no later than the 15th day of the month following the end of each reporting quarter. The City will withhold any or all payments otherwise due or requested by the entity for incomplete, delinquent, or neglect until the entity fully cures or performs the reporting obligation. Additionally, the City will not be liable for costs incurred or expenditures made by the entity, during the default period of performance reporting.

INTERNAL CONTROLS AND REPORTING TO CITY OF SEASIDE RESOURCE MANAGEMENT SERVICES

- City Hall – The operating hours for City Hall are Monday-Thursday 7:30am-5:30 pm. City Hall is CLOSED on Fridays.
- City Council Meetings are held the 1st and 3rd Thursday of each month.
- CDBG funds are disbursed for Public Service Programs/Projects On A Reimbursement Basis Only!.
- Costs associated with Acquisition, Rehabilitation, Clearance/ Demolition, Code Enforcement, Construction of Housing, Homeownership Assistance, Public Facilities and Improvements, and Other Eligible Activities will be disbursed by the City of Seaside Community Development Division, on behalf of the subrecipient, to the appropriate entity - Funds will not be expended prior to the first day of the fiscal year funded.
- Contact Resource Management Services Staff for details and the possible financial impact to the proposed project regarding any of the following:
 - Demolition of any occupied or unoccupied dwelling unit or any household being required to either move or pay increased housing costs (including housing occupied by tenants and being purchased with homebuyer's assistance).
 - Construction /Rehabilitation project costs affected by labor standards (Davis-Bacon Federal Wage) requirements.
 - Housing Rehabilitation projects affected by HUD's Lead-Based Paint regulations.
 - City of Seaside and professional service cost for any changes in zoning, platting, variances, etc.

OTHER FEDERAL LAWS, REGULATIONS, and EXECUTIVE ORDERS

The rules and requirements for CDBG have several additional broad federal rules that must be adhered to in the course of administering the program. The City of Seaside is responsible for implementing these rules. Owners, developers, sponsors, CHDO's and other nonprofits must also be aware of the application of the rules to ensure a project or activity's compliance.

THE CITY OF SEASIDE, ELIGIBLE ENTITIES, SUB-RECIPIENTS, AND CITY DEPARTMENTS RECEIVING/AWARDED FEDERAL FUNDS FROM THE COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) PROGRAM, MUST COMPLY WITH THE FOLLOWING FEDERAL LAWS, EXECUTIVE ORDERS AND REGULATIONS.

- Title IV of the Civil Rights Act of 1964 as amended (42 U.S.C. 200d et seq.) all California State Statutes and City of Seaside Ordinances regarding enforcement of civil rights
- The Fair Housing Act (42 U.S.C. 3601-3602) (24 CFR Part 100-115); Public Law 889-352 and 90-284 affirmatively furthering fair housing and Executive Order 11063 as amended and Federal Code Title 5 USCA 7142, Sub-Chapter 11, and State of California laws and statutes and City of Seaside ordinances regarding enforcement of Civil Rights and Section 109 of the Act
- Equal Opportunity in Housing (executive Order 11063 as amended by Executive Order 12259)
- Age Discrimination Act of 1975 as amended (42 U.S.C. 6101)
- ALL CDBG assisted projects require the recipient of the CDBG funds to recognize the CDBG funding for the project. All activities, facilities, and items utilizing the CDBG funds shall prominently be labeled as to the funding source(s). Recipients of CDBG funding will include reference to the support provided by the CDBG funds in all publications and all project sites with the following reference:
 - ~ On Documents - on the front cover, title page, etc.:
“This document is prepared in accordance with the City of Seaside’s Community Development Block Grant Program, with funding received from the U.S. Department of Housing and Urban Development.”
 - ~ On Project Site – at the street, information poster, etc.:
“This project is funded (in whole/in part) through the City of Seaside’s Community Development Block Grant Program with funding received from the U.S. Department of Housing and Urban Development.”
- Americans with Disabilities Act (42 I.S.C. 12131; 47 U.S.C. 155, 201, 218, and 225)
- Design and construction requirements at 24 CFR 100.205 which implement the Fair Housing Act (42 U.S.C. 3601-19)
- Section 504 of the Rehabilitation Act of 1973 (for any recipient or subrecipient principally involved in housing or social services, ALL of the activities of the agency--not just those directly receiving federal assistance--are covered under Section 504.
- Employment and contracting; Equal Employment Opportunity Executive Order 11246 as amended
- Section 3 of the Housing and Urban Development Act of 1968; Employment and contracting opportunities Executive Order (E.O.) 11246, amended by E.O. 11375, 11478, 12086, 12107 and 13279, Section 109 of the Act
- Minority/Women's business Enterprise Executive Orders 11625, 12432 and 12138 prescribe procedures acceptable to HUD for a minority outreach program to ensure the inclusion, to the MAXIMUM EXTENT POSSIBLE, of minorities and women, and entities owned by minorities and women in ALL contracts using CDBG funds. (24 CFR 85.36(e))
- Labor requirements require compliance with regulations on wage and labor standards for all construction contracts in excess of \$2,000 and for new construction or rehabilitation/reconstruction with eight (8) or more housing units of residential **property*** [single-family homeowner properties are excluded]. * However, *property* is not limited to a specific building.

Examples of 8+ unit properties may include: 5 townhouse buildings side-by-side which consist of 2 units each; 3 apartment buildings each consisting of 5 units and located on one tract of land; 8 single-family (not homeowner) houses located on contiguous lots.

Special Note - When CDBG funds are used for a portion of the construction, in conjunction with other funding sources, *labor standards* are applicable to the entire construction work.

Specific compliance with the following:

- Davis Bacon and Related Acts (40 U.S.C. 276(a)-7)
- Contract Work Hours and Safety standards Act as amended (40 U.S.C. 327-333)
- Copeland (anti-kickback) Act (40 U.S.C. 276(c))
- Fair Labor Standards Act of 1938 as amended (29 U.S.C. 201 et. seq.)
- Contracting and Procurement Standards of 24 CFR 85.36 and 24 CFR part 84 including Conflict of Interest provisions and employment of approved contractors, directly or indirectly, who have been debarred, suspended or placed on ineligibility status to contract with programs utilizing federal funds.
- Environmental Reviews in accordance with 24 CFR 58 for all CDBG funded projects
- National Flood Insurance Program policies -Section 202 of the Flood Disaster Protection Act of 1973 (42 U.S.C. 4106)
- Site and Neighborhood standards in compliance with Title VI of the Civil Rights Act-1964, the Fair Housing Act and Executive Order 11063 and 24 CFR 983.6(b)
- Lead Based Paint Requirements of Title X of the Housing and Community Development Act of 1992, as amended, sections 1012 and 1013 (24 CFR Part 35)
- Displacement, Relocation, Acquisition, and Replacement of Housing policies in accordance with The Act and provisions of the Uniform Relocation Act
- Use of debarred, suspended or ineligible contractors or subrecipients
- Uniform administrative requirements and cost principles
- Conflict of interest policies
- E.O. 12372 Intergovernmental Review of Federal Programs
- Eligibility restrictions for certain resident aliens.
- Architectural Barriers Act and the Americans with Disabilities Act
- Use of funds for sectarian religious purposes as described in 24 CFR Part 92 et al.
- Compliance with confidentiality clauses of 42 CFR part 2.
- Drug Free Facilities

- Organizations that are religious or faith-based are eligible, on the same basis as any other organization. Neither the federal government nor a state or local government receiving funds under a HUD funded program shall discriminate against an organization on the basis of the organization's religious character or affiliation.

- A religious organization or entity that participates in the HUD-funded programs will retain its independence from federal, state, or local governments, and may continue to carry out its mission, including the definition, practice, and expression of its religious beliefs. No HUD-funded programs shall directly support any inherently religious activities, such as worship, religious instruction, or proselytization.

- Faith-based organizations may use space in their facilities, without removing religious art, icons, scriptures, or other religious symbols. In addition, the religious organization shall retain its authority over its internal governance, and it may retain religious terms in its organization's name, select its board members on a religious basis, and include religious references in its organization's mission statements and other governing documents.
- Organizations successful in receiving an award of funds may not engage in inherently religious activities, such as worship, religious instruction, or proselytization, as part of the programs or services funded under this part. If an organization conducts such activities, the activities must be offered separately, in time or location, from the programs or services funded under this part and participation must be: voluntary; the organization shall not, in providing assistance, discriminate on the basis of religion or religious beliefs, there shall be no religious test for admission for services; there shall be no requirement for attendance of religious services; there shall be no inquiry as to a client's religious preference or affiliation for the HUD-funded programs or services.
- The entity will meet all requirements of the **Americans with Disabilities Act of 1990 (ADA)**, and comply with all applicable rules and regulations which would be imposed on the City of Seaside as a public entity; be cognizant of all applicable requirements of the **ADA** and to defend, indemnify and hold harmless the City of Seaside, its officials, agents and employees from any and all claims, actions, suits, or proceedings (of any kind) brought as a result of any actions or omissions of the eligible entity or its agents in violation of the **ADA**.

APPENDIXES

PROGRAM TIMELINE BY FISCAL YEAR

JULY

- **Q DAY (Quarter Submission Date) SCHEDULE:**
 - 15th (**Q DAY**) 4th Quarter Request for Reimbursement and Client Data Report Deadline for Subrecipients **AND** Year End Annual Performance Report and Accomplishments for Subrecipients, (*Chapter 13 – Basically CDBG (V 11/07)*)
 - Q Day + 3 working days - Submit 4th Q reimbursements to Finance
 - Q Day + 8 working days – Make FINAL IDIS draws
- **START OF NEW PROGRAM YEAR**
- Finalize and File All Agreements
- Send out Agreements along with Authorization to Proceed (form of a cover letter)
- Begin working on Consolidated Annual Performance and Evaluation Report (CAPER) and gathering CAPER Data, , (*Chapter 13 – Basically CDBG (V 11/07)*)
- Completion of Subrecipient Monitoring
- Environmental Review (ERR) and a Request for Release of Funds, (IF APPLICABLE) prior to project start date.

AUGUST

- Writing CAPER and Finalizing IDIS Reports for previous FY to be included in CAPER

SEPTEMBER

- 1st Thursday City Council Meeting Present Draft of CAPER
- 1st Friday make CAPER available to the Public, begin 15 day public comment period
- 2nd Thursday City Council Meeting Present CAPER for approval and submission to U.S. Department of Housing and Urban Development, San Francisco Field Office.
- 30th CAPER “RECIIVE BY” date to HUD
- 30th Last day of the 1st Q

OCTOBER

- **Q DAY (Quarter Submission Date) SCHEDULE:**
 - 15th (**Q DAY**) 1st Quarter Request for Reimbursement and Client Data Report Deadline for Subrecipients
 - Q Day + 3 working day - Submit 1st Q reimbursements to Finance

- Q Day + 8 working days – Make 1st Q IDIS draws
- 15th Period 2 Labor Report – Form 4710 Due to HUD, , (*Chapter 18 – Basically CDBG (V 11/07)*)
- 28th MBE Report – Form 2516 Due to HUD, (*Chapter 19 – Basically CDBG (V 11/07)*)
- Real Property Acquisition Report, (IF APPLICABLE) to HUD

NOVEMBER

- 15th Absolute deadline for HUD to have received the Real Property Acquisition Report

DECEMBER

- Update CDBG Applications and Agreements
- Set meeting and public hearing dates for the next application cycle and notify non-profits and the public.
- 31st – Last day of the 2nd Q

JANUARY

- Q DAY (Quarter Submission Date) SCHEDULE:
 - 15th (**Q DAY**) 2ND Quarter Request for Reimbursement and Client Data Report Deadline for Subrecipients
 - Q Day + 3 working day - Submit 2ND Q reimbursements to Finance
 - Q Day + 8 working days – Make 2ND Q IDIS draws
- Hold 1 of 2 Program Planning Public Hearing
- Hold Application Request Meeting, provide notes from Public Hearing

FEBRUARY

- Receive New Allocation Amount (Varies)
- 1st Week Request for Funds application deadline
- 2nd Week forward all completed applications to CDAC committee for their review
- 3rd Week hold CDAC meeting to vote on applications
- 4th Week send applications and summary of preliminary approvals to Council

MARCH

- 1st Tuesday Council Meeting to Approve CDAC's recommendations – 2nd Public Hearing
- Write Con Plan (every 5 years)/Annual Action Plan, (*Chapter 2 – Basically CDBG (V 11/07)*)
- 3rd Tuesday – Take “Draft” Plan to Council for feedback - NO FORMAL ACTION REQUIRED.
- 31st Last day 3rd Quarter

APRIL

- 1st Tuesday publish summary of Con Plan (every 5 years)/Annual Action Plan and Begin 30 day public review of the document
- Q DAY (Quarter Submission Date) SCHEDULE:
 - 15th (**Q DAY**) 3rd Quarter Request for Reimbursement and Client Data Report Deadline for Subrecipients
 - Q Day + 3 working day - Submit 3rd Q reimbursements to Finance
 - Q Day + 8 working days – Make 3rd Q IDIS draws
- 15th Period 1 Labor Report – Form 4710 Due to HUD, , (*Chapter 18 – Basically CDBG (V 11/07)*)

MAY

- First Tuesday – Con Plan (every 5 years)/Annual Action Plan to Council
- 2nd week – Finalize Con Plan (every 5 years)/Annual Action Plan, include public hearing notes and send to HUD, San Francisco
- **15th ACTION PLAN RECEIVED BY HUD (LATE IS NOT AN OPTION)**

JUNE

- Subrecipient Monitoring Month
- Prep Agreements
- Receive Action Plan approval from HUD and return Grantee Agreement – SF 424
- 30th Last day of 4th Q

FY 2012 Income Limits Summary

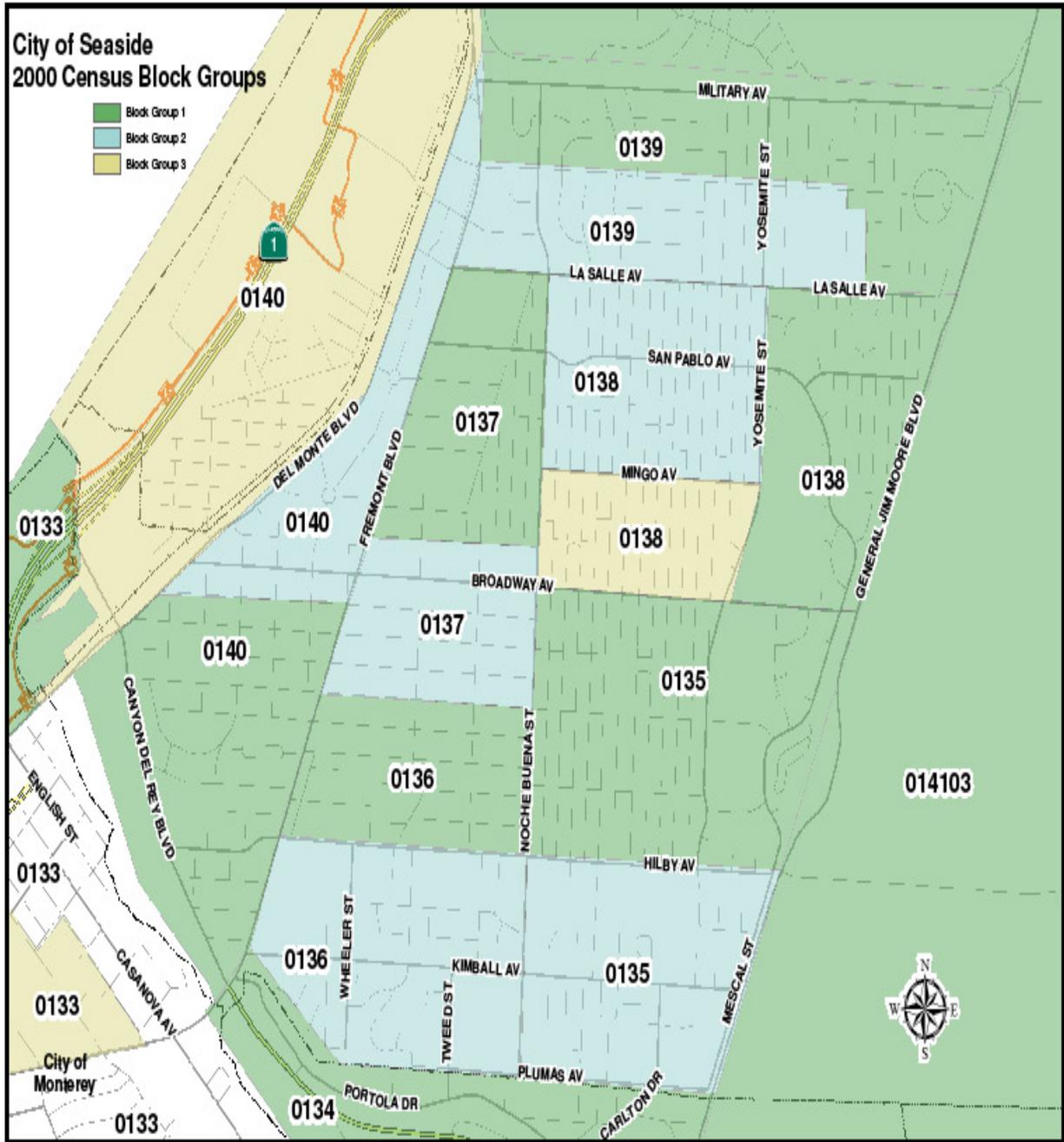
Salinas, CA HUD Metro FMR Area										
FY 2012 Income Limit Area	Median Income	FY 2011 Income Limit Category	1 Person	2 Person	3 Person	4 Person	5 Person	6 Person	7 Person	8 Person
Salinas, Ca MSA	\$68,700	Extremely Low (30%) Income Limits	\$14,550	\$16,600	\$18,700	\$20,750	\$22,450	\$24,100	\$25,750	\$27,400
		Very Low (50%) Income Limits	\$24,250	\$27,700	\$31,150	\$34,600	\$37,400	\$40,150	\$42,950	\$45,700
		Low (80%) Income Limits	\$38,750	\$44,300	\$49,850	\$55,350	\$59,800	\$64,250	\$68,650	\$73,100

The Salinas, CA, Metropolitan Statistical Area contains all of Monterey County, CA.

FY 2012 Fair Market Rents by Bedroom Size

Final FY2012 FMRs By Unit Bedrooms					
	Efficiency	One-Bedroom	Two-Bedroom	Three-Bedroom	Four-Bedroom
Final FY2012 FMR	\$919	\$1,034	\$1,187	\$1,677	\$1,757

CITY OF SEASIDE AREA MAP BY CENSUS BLOCK GROUPS



Source: City of Seaside GIS, 2008

CDBG CENSUS TRACTS/BLOCK GROUPS

CENSUS TRACT	BLOCK GROUP	TOTAL PERSONS	TOTAL LOW-MOD PERSONS	PERCENT LOW-MOD
0135	1	3697	1807	48.9
	2	1342	432	32.2
0136	1	2686	1446	53.8
	2	1784	686	38.5
0137	1	3279	2080	63.4
	2	2052	1368	66.7
0138	1	1369	456	33.3
	2	2843	1239	43.6
	3	1675	868	51.8
0139	1	1392	620	44.5
	2	1373	637	46.4
0140	1	2062	1118	54.2
	2	154	119	77.3
	3	11	16	68.8
0140 (R)	3	11	11	100
0141.03	1	5883	2874	48.9