



**pennsylvania**  
DEPARTMENT OF COMMUNITY  
& ECONOMIC DEVELOPMENT

# COMMUNITY DEVELOPMENT BLOCK GRANT

## CDBG

October 24, 2024

Center for Community & Housing Development  
PA Department of Community & Economic  
Development

# COMMUNITY AND HOUSING PROGRAMS

## **CDBG Programs are funded through U.S. Department of Housing and Urban Development (HUD)**

- Community Development Block Grant (24 CFR Part 570)
  - Entitlement
  - Discretionary
- Community Development Block Grant Disaster Recovery (CDBG-DR)
- Community Development Block Grant CARES ACT (CDBG-CV)
- Section 108 Loans

## CDBG PURPOSE

- Supports community development activities to build stronger and more resilient communities
  - Twenty-six (26) activity types addressing needs in 6 broad categories:
    - Public Infrastructure/Facilities
      - Water, sewer, roads; etc
    - Housing
    - Clearance of blighted structures
    - Code Enforcement
    - Public Services, and more

# NATIONAL OBJECTIVES

Projects must meet one of three National Objectives

1. Benefit to low- and moderate- income persons (LMI)
2. Aid in the prevention or elimination of slums or blight (S/B)
3. Meet a need having a particular urgency (urgent need) (U/N)

# CDBG FUNDING

## FY 2024 CDBG allocation breakdown:

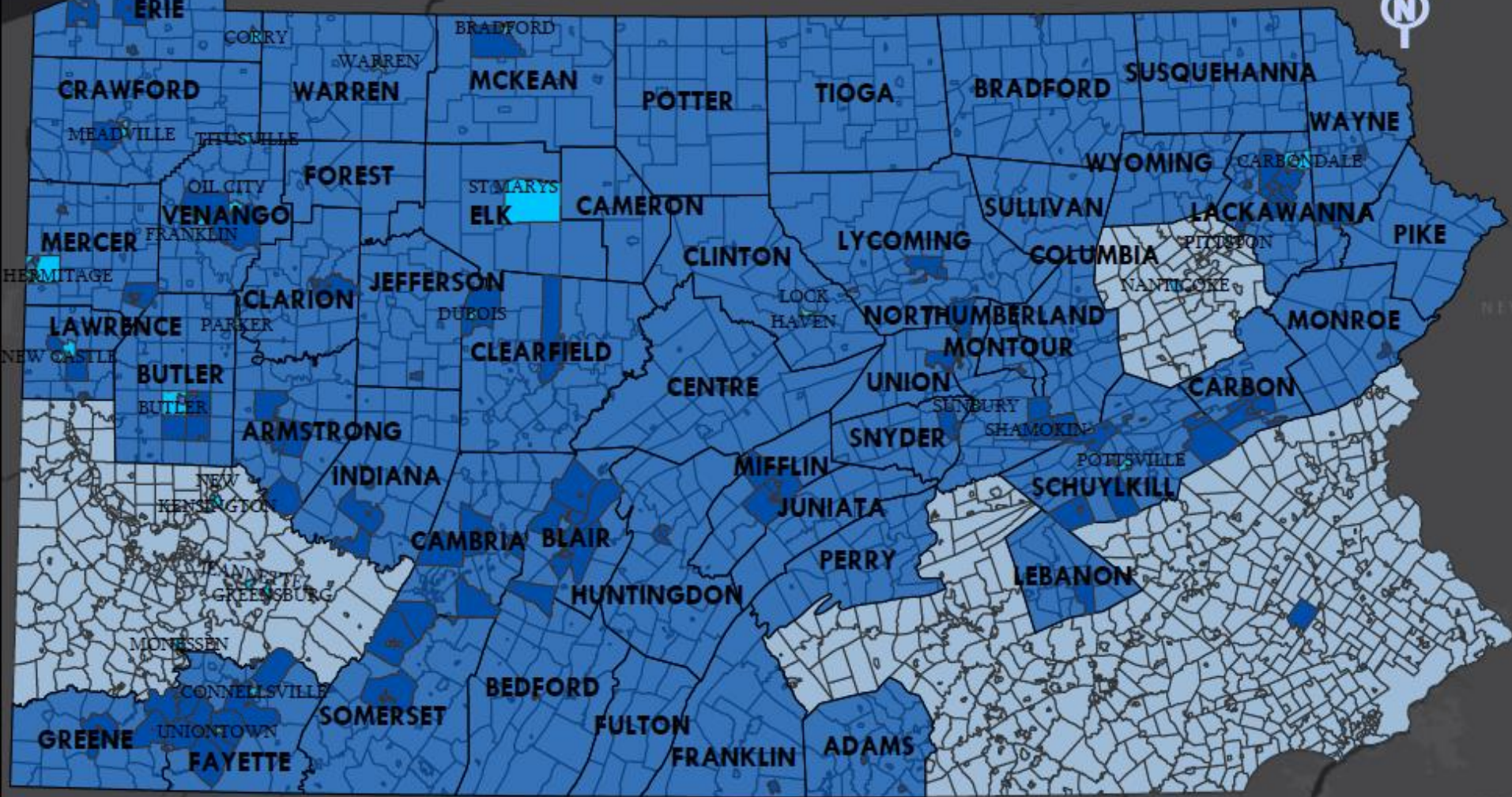
Total allocation: \$40.8M

- Entitlement communities: \$34.66M
  - 38% to eligible counties
  - 38% to eligible boroughs and townships
  - 24% to eligible cities
- Competitive awards: \$4.89M (12%)
- Admin & Technical Assistance (TA): \$1.22M (3%)

## CDBG ENTITLEMENT

- DCED is authorized to administer this program under Pennsylvania Law known as Act 179 of 1984
- DCED provides CDBG funding for the smaller communities and rural areas of the Commonwealth that do not receive HUD funding directly
- Entitlements must apply annually

# PA CDBG Act 179 Communities



- PA CDBG Act 179 Cities
- PA CDBG Act 179 Municipalities
- PA CDBG Act 179 Counties
- HUD Direct Entitlements

0 37.5 75 150 Kilometers

## WHAT DOES THAT LOOK LIKE?

- Review 82 applications each year for 190 grantees
  - Evaluate for compliance with citizen participation requirements
  - Capacity
  - Timeliness
  - Community Development Plan
  - Activity eligibility
  - National Objective
- Average number of activities per application: 5



# CDBG DISCRETIONARY

- 12% of the annual CDBG allocation is reserved for CDBG Discretionary (Competitive)
  - Eligible applicants are units of local government
  - Minimum request is \$100,000 (no maximum)
  - Applications typically due February of each year
- DCED Priorities
  1. Water and Sewer Projects that impact health and safety of residents
  2. Community Revitalization
  3. Public Services
  4. Resiliency Projects
    - Green infrastructure, storm water management, wetlands management to lessen impacts from natural disasters



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# COMMUNITY DEVELOPMENT BLOCK GRANT CARES ACT (CDBG-CV)

## CDBG-CV PURPOSE

Same mission on CDBG annual funds plus

Each assisted activity **“prepares, prevents, and responds to coronavirus”**

All twenty-six (26) activity types are eligible. We have seen a particular interest in:

- Small Business Grants
- Assisting non-profits (Food Banks)
- Water system and Park Improvements

# CDBG-CV FUNDING

## CDBG-CV allocation breakdown:

Total allocation: \$96.1M

- Non-entitlement communities: \$23.9M
  - 38% to eligible counties
  - 38% to eligible boroughs, incorporated towns, and townships
  - 24% to eligible cities
- Competitive awards: \$65.7M
- Admin & Technical Assistance (TA): \$5.7M



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# COMMUNITY DEVELOPMENT BLOCK GRANT DISASTER RECOVERY (CDBG-DR)

# CDBG-DR PURPOSE

To support long-term recovery efforts following a disaster

Activities include

- Housing Rehab/Reconstruction
- Housing Acquisition and Buyout
- Multi Family Rental Rehab
- Infrastructure
- Mitigation

## CDBG-DR FUNDING

- \$57M in 2011 from damage caused by Tropical Storm Lee and Hurricane Irene
- \$38M in 2021 from damage caused by Hurricane Ida
- Funding is issued by HUD when there is a Presidential Disaster Declaration and specific geographic regions are often identified

## CDBG-DR FUNDING

- Funding for Ida identified the following eligible counties
  - Bedford
  - Bucks
  - Chester
  - Delaware
  - Montgomery
  - York
- Funding awards are made through a competitive application process





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# SECTION 108 LOANS

## SECTION 108 LOAN PROGRAM OVERVIEW

- Enables states and local governments participating in the Community Development Block Grant (CDBG) program to obtain federally guaranteed loans to fund large economic development projects and undertake revitalization activities.
- Under Pennsylvania's initiative to use Section 108, the loans are guaranteed by the Commonwealth, committing the use of future CDBG funds to pay off the loan in case of default.

# RESOURCES

<https://dced.pa.gov/>

<https://dced.pa.gov/programs/community-development-block-grant-cdbg/>

<https://dced.pa.gov/programs/community-development-block-grant-cares-cdbg-cv/>

<https://dced.pa.gov/programs/community-development-block-grant-disaster-recovery-cdbg-dr/>

[https://www.hud.gov/program\\_offices/comm\\_planning/section108/legacy-challenge](https://www.hud.gov/program_offices/comm_planning/section108/legacy-challenge)

Questions?

Thank you!