

**COMMUNITY DEVELOPMENT BLOCK GRANT
ELIGIBLE ACTIVITIES AND GENERAL INFORMATION
FY 2021/2022**

APPLICATION DUE DATE: FRIDAY, OCTOBER 23, 2020, 4:00 P.M. MST

When completed, this CDBG proposal submission will provide a specific description of the activity for which you are seeking funds and allow our office to determine whether programs being considered for funding are eligible CDBG activities. The proper classification of activities is also important because the CDBG program statutes and regulations place specific requirements on certain activities and not on others. For example, there is a statutory and regulatory limitation on the amount of CDBG funds which may be used for public services. There is a similar limitation on the amount of CDBG funds which may be used for planning and administrative costs.

The statutes and regulations also place special requirements on such activities as code enforcement and assistance to for-profit business for economic development projects. An improperly classified activity may be unnecessarily subject to an inapplicable requirement or, conversely, it may be carried out in a manner contrary to the intent of the law.

This proposal undertakes to define the scope of your proposed activity within the eligibility of the CDBG program. Six steps are involved in the program review of your responses to the application questions.

The first step is to determine if the activity is included within the listing of eligible activities in the CDBG regulations, as modified by statutory amendments. Eligible activity categories follow this narrative.

The second step is to determine if the proposed activity falls within a category of explicitly ineligible activities, despite its apparent inclusion within the listing of eligible activities. For example, while many public facilities are eligible for assistance, there is an explicit statutory and regulatory bar to providing assistance to "buildings for the general conduct of government".

The third and probably most important step is to determine if the proposed program meets one of the national objectives of the CDBG program:

- Benefiting low and moderate (L/M) income persons
- Addressing slums or blight
- Meeting a particularly urgent community development need

The fourth step is to ensure that carrying out the activity with CDBG funds will not result in the award violating the City's certification that at least 70% of the CDBG funds will benefit L/M income persons over the fiscal year July 1, 2021 through June 30, 2022.

The fifth step is to review proposed costs of the activity to determine if they appear to be necessary and reasonable and will otherwise conform to OMB Circular No. A-133, "Audits of States, Local Governments, and Non-Profit Organizations". If a non-profit organization or educational institution is involved, then review of the program in the context of OMB No. A122, "Cost Principles for Nonprofit Organizations" and/or OMB A-110, "Grants and Agreements with Institutions of Higher Education, Hospitals, and Other Nonprofit Organizations" is required as applicable.

The sixth step is to determine whether the proposed program meets local community priorities, including, but not limited to, those described in the Consolidated Plan.

ELIGIBLE CDBG ACTIVITY CATEGORIES:

Acquisition of Real Property

Assistance to For-Profit Businesses (for the creation of jobs for low and moderate-income people)

Clearance

Code Enforcement

Commercial or Industrial Rehabilitation

Disposition (disposal of real property)

Historic Preservation

Housing Rehabilitation

Housing Services

Interim Assistance (usually limited improvements as a prelude to permanent improvements)

Lead Based Paint Hazard Removal

Loans to Subrecipients

Loss of Rental Income (normally in association with relocation of persons)

New Housing Construction

Planning and Capacity Building (generally studies, data gathering, preparation of plans and identification of actions that will implement plans)

Privately Owned Utilities (acquisition, rehabilitation, installation)

Program Administration Costs (generally reserved for the City exclusively)

Public Facilities and Improvements

Public Services

Relocation

Removal of Architectural Barriers

Special Activities by Subrecipients

Special Economic Development

Use for Micro Enterprises

ADDITIONAL GUIDANCE

Considering the broad range of activities which may be carried out with CDBG funds and the need for interpretation of the applicability of requirements to many differing factual situations, we cannot hope to provide answers to all questions about activity eligibility in this brief summary.

Applicants are encouraged to contact Justin Boyd, Housing Supervisor in the Community Assistance Office at (480) 312-2479, for further clarification when requirements appear unclear.

City of Scottsdale
CDBG Programs
Annual Income Guidelines

Effective Date: July 1, 2020

From the U.S. Department of Housing and Urban Development (HUD)

Household Size (persons)	Table A 30%	Table B 50%	80%
1	16,350	27,250	43,600
2	18,700	31,150	49,800
3	21,050	35,050	56,050
4	23,350	38,900	62,250
5	25,250	42,050	67,250
6	27,100	45,150	72,250
7	29,000	48,250	77,200
8	30,850	51,350	82,200

Presumed Benefit Groups

Abused Children
Elderly Persons (62 years or older)
Battered Spouses
Homeless Persons
Severely Disabled Persons
Illiterate Adults
Migrant Farm Workers
Persons Living with AIDS