

Community Development Block Grant (CDBG)

LEGAL NAME: Community Development Block Grant Program

STATUTORY CITATION:

The Housing and Community Development Act of 1974 (Public Law 93-383), as amended. CDBG is a “pass through” funding program from the US Department of Housing and Urban Development. Authorization for the program is set forth in 42 U.S.C. §5301, et seq.; 24 CFR Part 570; and Missouri’s “Consolidated Plan” submitted to the U.S. Department of Housing and Urban Development.

FUNDING LIMITS:

The maximum amount available varies, depending on the type of project. Please refer to the individual categories outlined on the Missouri Department of Economic Development website for more information.

TYPE OF BENEFITS:

Grants and Financing Loans. The Community Development Block Grant Program offers grants to Missouri communities to improve local facilities, address health and safety concerns and develop a greater capacity for growth.

DESCRIPTION OF BENEFITS:

Benefits may include grants awarded to communities to offset the cost of public infrastructure or loans for private companies for job creation. Refer to specific CDBG categories for specific benefits available.

ALLOWED USES OF BENEFITS:

- *Action Fund Loan* – loans to private companies resulting in the creation of jobs.
- *Community Facilities* – development of a public facility designed to provide services from a central location (senior center, community center, fire station, etc.)
- *Downtown Revitalization* – public infrastructure and improvements that significantly contribute to the revitalization or redevelopment of downtown areas.
- *Emergency* – projects meeting an urgent threat to health and safety.
- *Industrial Infrastructure Grant* – public infrastructure development that results in the creation of jobs by a private company benefiting from the infrastructure.
- *Interim Financing Loan* – short-term loan to a private company resulting in the creation of jobs.

- *Speculative Industrial Building Loan* – loans to a nonprofit development organization to develop a shell building for industrial purposes.
- *Water and Wastewater* – publicly owned water and wastewater improvements and new construction. Proposals must be reviewed by the Missouri Water and Wastewater Review Committee before application is made.
- *Other Public Needs* – eligible activities that are not addressed with a specific Community Development Block Grant category as listed above. Examples include: bridges, streets, housing demolition, handicapped accessibility in public buildings, or other activities deemed important for the economic growth of the community.
- *Rural Affordable Housing Request for Proposals* – included as part of the other public needs category listed above. Proposals must address housing development for low to moderate income persons, and must match low income housing tax credit or other Missouri Housing Development Commission funding applications.

ELIGIBLE GEOGRAPHIC AREA: Statewide

ELIGIBLE BUSINESS TYPES:

Community Development Block Grant funds are only available to cities or counties in non-entitlement areas (incorporated municipalities with a population under 50,000 and counties with a population under 200,000).

BENEFITS ELIGIBILITY REQUIREMENTS:

Projects must benefit at least 51% low to moderate income persons, address a slum or blighted condition, or meet an urgent threat to health and safety

SPECIAL REQUIREMENTS:

Depending on the funding category, applications are either accepted on a continuous cycle throughout the year or have a specific deadline. Please refer to the individual categories outlined on the Missouri Department of Economic Development website for more information.

For More Information Visit:

Statutes: <http://www.moga.mo.gov/STATUTES/C620.HTM>

Missouri Development Finance Board: <http://www.mdfb.org/>

Missouri Department of Economic Development: <http://www.missouridevelopment.org>

Source: “Community Development Block Grant” Missouri Department of Economic Development