



ELIGIBLE CDBG ACTIVITIES

PUBLIC FACILITIES AND IMPROVEMENTS	
Eligible Public Facility and Improvement Projects	CDBG Conditions
Sewer and Water Facilities	<p>These projects may be undertaken on an interim basis in areas exhibiting objectively determinable signs of physical deterioration where it was determined that immediate action is necessary to arrest the deterioration and that permanent improvements will be carried out as practicable to repair:</p> <ul style="list-style-type: none"> ➤ Streets; ➤ Sidewalks; ➤ Park; ➤ Playgrounds, ➤ Publicly owned utilities; and ➤ The execution of special garbage, trash, and debris removal, including neighborhood cleanup campaigns, but not the regular curbside collection of garbage or trash in an area.
Streets and Sidewalks	
Curb and Gutters	
Parks and Playgrounds	
Senior Citizens' Center	
Parking Lots or Garages	
Utility Lines	
Recreation Center	
Police or Fire Station in which services to the public are actually provided (as opposed to administrative offices).	<p>Fire protection equipment including fire trucks, fire fighters' protective clothing, "jaws of life," and other life-saving equipment are eligible for CDBG funding under Public Facilities and Improvements as this equipment is integral to the fire protection facility.</p>
Aesthetic amenities on public land such as landscaping (trees, sculptures, pools of water and fountains and other works of art).	<p>These include all improvements and facilities that are either publicly owned or that are traditionally provided by government, or owned by a non-profit, and operated so as to be open to the general public.</p>
Jails or Prisons	<p>Jails are considered to benefit the entire community served by the facility and thus would qualify under the low-moderate income (LMI) benefit national objective only if the percentage of LMI persons in the entire jurisdiction is sufficiently high to meet the "area benefit" test.</p>
Library	<p>Public facilities that serve the entire jurisdiction of the grantee, a main library for example, may qualify under the LMI benefit national objective only if the percentage of LMI persons in the entire jurisdiction is sufficiently high to meet the "area benefit" test.</p>
Special Assessments	<p>Special Assessments are used to recover the capital costs of a public improvement through a fee levied or a lien filed against a parcel of real estate either as, 1) a direct result of a benefit derived from the installation of a public improvement or 2) a one-time charge made as a condition of access to an improvement. Sewer tap-in fees are an example of a special assessment.</p>
Privately Owned Utilities-570.201 (I)	<p>CDBG funds may be used to acquire, construct, reconstruct, rehabilitate, or install the distribution lines and facilities for privately owned utilities.</p> <p>A privately-owned utility refers to service that is publicly regulated and is provided through the use of physical distribution lines to private properties.</p> <p>Examples of eligible utilities are electricity, telephone, water, sewer, natural gas and cable television.</p>

Other

The City is willing to consider other public facility projects not listed above. It is highly recommended that applicants contact the City to discuss new projects ideas prior to submitting a grant application.

REAL PROPERTY AND HOUSING PROJECTS

Eligible Real Property & Housing Projects	CDBG Conditions
Acquisitions of land or buildings -570.201 (a)	<ul style="list-style-type: none"> • CDBG funds may be used for acquisition of real property, either in whole or in part, by purchase, long-term lease, donation, or otherwise for any public purpose. • Examples include land, air rights, easement, water rights, rights-of-way and buildings. • Examples of ineligible activities include costs of moveable equipment and acquisition of newly-constructed housing or an interest in construction of new housing.
Disposition – 570.201 (b)	<ul style="list-style-type: none"> • CDBG funds may be used to dispose of property acquired with CDBG funds through sale, lease, donation or other means. • Property must have a reuse plan that meets a National Objective. • The property may be disposed at less than fair market value. • Costs may include preparation of legal documents, surveys, marketing, financial services, transfer of taxes or ownership.
Clearance Activities- 570.201 (d)	<ul style="list-style-type: none"> • Demolish buildings and improvements. • Remove rubble and debris after demolition. • Remove environmental contaminants or treat them to make them harmless. • Move structures to other sites.
Code Enforcement – 570.202 (c)	<ul style="list-style-type: none"> • Code enforcement activities are eligible provided that the enforcement takes place in a deteriorated or deteriorating area and the enforcement effort is accompanied by public or private improvements or service and can be expected to arrest the decline of the area. • Eligible costs include costs incurred for inspections for code violations (including salaries and overhead) and the enforcement of code requirements (including legal proceedings). • Both residential and commercial structures may be included in code enforcement activities.
Historic preservation - 570.202 (d)	<ul style="list-style-type: none"> • CDBG funds may be used for the rehabilitation, preservation or restoration of historic properties, whether publicly or privately owned. • 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 the Pennsylvania or local inventory of historic places or designated as a Pennsylvania or local landmark or historic district by appropriate law or ordinance. • Examples of eligible activities include historic preservation plans, rehabilitation of the property, relocating residents while preservation work is performed. • Historic preservation is not authorized for buildings used for the general conduct of government.
Renovation of closed buildings – 570.202 (e)	<ul style="list-style-type: none"> • CDBG funds may be used to renovate closed buildings, such as closed school buildings, for use as an eligible public facility or to rehabilitate or convert closed buildings for residential and commercial uses. • Examples of ineligible activities include creation of secondary housing units attached to a primary unit and costs of equipment, furnishings or other personal property that are not integral structural fixtures, such as window air conditioners or clothes washers.
Lead – based paint (LBP) hazard, evaluation and reduction, and clearance – 570.202 (f)	<ul style="list-style-type: none"> • Cost associated with the evaluation and reduction of LBP. • Examples of eligible activities include inspecting buildings for LBP hazards, testing surfaces abatement of lead hazards and payment of temporary relocation costs for residents on which their home is receiving abatement services.
Handicap Accessibility - 570.201	<ul style="list-style-type: none"> • Removal of materials and architectural barriers that restrict the accessibility or mobility of elderly or handicapped persons. • Activities must take place on existing structures.

Energy Efficiency – 570.201	<ul style="list-style-type: none"> • Examples of eligible activities include weatherization of home or apartment building, installation of solar or wind equipment, finance energy – efficient rehab, provision of free insulation or home energy audits, and preparation of comprehensive community energy use strategies.
Rehabilitation of buildings and improvements eligible for rehabilitation assistance – 570.202 (a)	<ul style="list-style-type: none"> • CDBG may be used to finance the rehabilitation of privately –owned homes, publicly –owned residential housing, nonresidential buildings owned by nonprofits, and manufactured housing when it is part of the permanent housing supply.

PUBLIC SERVICES, ECONOMIC DEVELOPMENT AND “OTHER” ACTIVITIES	
Activities	CDBG Conditions
Relocation – 570.201 (i)	<ul style="list-style-type: none"> • Relocation of payments and other assistance for permanently and temporarily relocated individuals, families, businesses, non-profit organizations and farm operations.
Loss of Rental Income- 570.201 (j)	<ul style="list-style-type: none"> • Compensation to property owners for the loss in rental income incurred while temporarily holding housing units to be used for the relocation of individuals and families displaced by CDBG-assisted activities.
Public Services – 570.201 (e)	<ul style="list-style-type: none"> • CDBG funds may be used for a wide range of public service activities including, but not limited to, job training, crime prevention, public safety, child care, health services, substance abuse services, fair housing counseling, education programs, energy conservation, senior citizen services, homeless person services, subsistence payment service and recreational services • In order for a first-time public service application to be considered the applicant must prove that: <ol style="list-style-type: none"> 1) the service is a new initiative for the agency (new service); OR 2) the service existed but was not provided by or on behalf of a government agency with funding from that government agency; OR 3) there was a quantifiable increase in the level of an existing service within the 2013 calendar year.
Micro – Enterprise Assistance – 570.201 (o)	<p>The provisions of assistance to facilitate economic development by:</p> <ul style="list-style-type: none"> • Providing credit, including, but not limited to, grants, loans, loan guarantees, and other forms of financial support, for the establishment, stabilization, and expansion of micro-enterprises; • Providing technical assistance, advice, and business support services to owners of micro-enterprises and persons developing micro-enterprises; and • Providing general support to owners of microenterprises and persons developing microenterprises including child care, transportation, counseling and peer support groups. • A microenterprise is defined as a commercial enterprise that has five or fewer employees, one or more of whom owns the microenterprise business.

The table below provides eligible Planning & Administration expenses.

Eligible Planning & Administration Projects 570.205 & 570.206
➤ Preparation of general plans such as the Consolidated Plan
➤ Functional plans such as housing plans
➤ Neighborhood plans and general historic preservation plans
➤ Policy planning, management, and capacity building activities
➤ Monitoring



INELIGIBLE CDBG FUNDED ACTIVITIES

§570.207 Ineligible Activities:

(a)	General Rule – Any activity that is not authorized as an “eligible activity.”
(b)	Government Buildings – Funds cannot be used for improvements to a public building used for the general conduct of government.
(c)	General Government Expenses – Funds cannot be used for expenses that are considered the regular responsibilities of the local government.
(d)	Political Activities – Funds cannot be used to finance the use of facilities or equipment for political purposes or to engage in other partisan political activities.
(e)	Purchase of Equipment – The purchase of equipment is generally ineligible, which includes construction equipment, motor vehicles, furnishings, or personal property. The only exception is fire equipment assigned to a low- and moderate-income area.
(f)	Operating and Maintenance Expenses – The general rule is that any expense associated with repairing, operating, or maintaining public facilities, improvements, and services is ineligible.
(g)	New Housing Construction – Funds cannot be used for the construction of new permanent residential structures or for any program to subsidize or consist such new construction except by a CBDO. However, the cost of site assemblage, clearance, and site improvements are eligible activities.
(h)	Income Payments – Funds cannot be used for subsistence – type grant payments for food, clothing, housing, or utilities.