

## **National Objectives of Community Development Legislation (Community Development Block Grant Program)**

The primary objective of the Community Development Block Grant (CDBG) Program is the “...development of viable urban communities, including decent housing and a suitable living environment and expanding economic opportunity, principally for persons of low and moderate-income” (Housing and Community Development Act of 1974).

The Town of Chapel Hill must certify that its overall program carries out this primary objective. In addition, each Community Development Block Grant activity must:

1. Benefit low- or moderate-income persons (80% of median income and below);
2. Aid in the prevention or elimination of slums and blight; or
3. Treat urgent needs posing an immediate threat to public health and welfare.

Eligible activities for Community Development Block Grant funding include:

- Acquisition of property
- Disposition of property
- Public facilities and improvements
- Clearance, demolition and removal of buildings
- Site improvements
- Some public services (subject to a cap)
- Housing rehabilitation, preservation and code enforcement
- Economic development activities
- Planning and administrative costs (subject to a cap)

Activities that are generally not eligible include:

- Buildings used for the general conduct of government
- New housing construction (allowed in special circumstances)
- General government expense
- Political activities
- Purchase of equipment and personal property
- Operating and maintenance expenses