



COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) PROGRAM

Lake County Board of Supervisors

July 15, 2025



PURPOSE OF CDBG

The primary federal objective of the CDBG program is the development of viable communities by:

- Providing decent housing
- Suitable living environment
- Expanding economic opportunities

Principally, for persons of low- and moderate-income.

WHAT IS CDBG?

The California Department of Housing and Community Development (HCD) partners with rural cities and counties to improve the lives of their low- and moderate-income residents through the creation and expansion of community and economic development opportunities in support of livable communities. CDBG funds are provided as grants to non-entitlement jurisdictions that address one of three national objectives. Grants can vary based on annual allocations and activity limits.

Eligibility

As a non-entitlement jurisdiction [county with population less than 200,000], Lake County applies for CDBG program funding through HCD's annual Notice of Funding Availability (NOFA) or directly with Program Income applications.

Subrecipients

- **Eligible Applicants.** Local governmental entities, institutions of higher education, or an incorporated non-profit organization having 501(c) (3) status.
- **Ineligible Applicants.** For-profit organizations and individuals.

CDBG PROJECTS & PROGRAMS

PROJECT CRITERIA: MEET A NATIONAL OBJECTIVE & BE AN ELIGIBLE ACTIVITY

1. National Objective

- Benefit to Low-to-Moderate Income persons
- Area Benefit (LMA)
- Limited Clientele (LMC)
- Housing (LMH)
- Jobs (LMJ)
- Aid in the prevention or elimination of blight, or
- Projects that have a particular urgency because existing conditions pose a serious and immediate threat to the health or welfare of the community *(not available under this RFP)*.

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CDBG

2. CDBG Eligible Activities

COMMUNITY DEVELOPMENT

Public Facilities and Improvements and Privately-Owned Utilities
Architectural Barrier Removal
Code Enforcement
Clearance, Rehabilitation, Reconstruction, and Construction of Buildings (including Housing)
Loss of Rental Income *(not eligible for Program Income funding)*
Relocation
Payment of Non-Federal Share
Homeownership Assistance
Housing Services
Lead-based Paint Hazard Evaluation and Reduction

ECONOMIC DEVELOPMENT

- Microenterprise Assistance
- Acquisition of Real Property
- Planning & Capacity Building *(not eligible for Program Income funding)*
- Planning Related to Another Activity *(not eligible for Program Income funding)*
- Assistance to For Profit-Businesses

Resource to check LMI status of geographic locations: [LMISD Map Application 2016-2020](#)

* LMI = "Persons of low and moderate income" are defined as families, households, and individuals whose incomes do not exceed 80% of the county median income, adjusted for family or household size [\(see HUD income limits\)](#)

CURRENT AND RECENT CDBG PROJECT AND PROGRAMS

Current Projects

- Micro-enterprise Business Technical Assistance, PI Funds
- BUILD Program, 2024 Grant

Past Projects

- Business Assistance and Recovery Loan Fund
- Business Assistance Loan Programs
- Cobb Mountain Water Systems Replacement and Improvements
- Anderson Springs Sewer Lateral Installations
- Parks Improvements

CDBG FUNDING

Program Income (PI)

- The County is using approximately **\$300,000** in Program Income funds for small business assistance.
- Some CDBG activities, such as business assistance loans, generate program income, extending CDBG dollars further.
- PI is defined as gross income generated from CDBG funds and may only be used for eligible CDBG projects or programs that comply with federal requirements.
- The County is required to have a plan in place to use existing PI funds before applying for further CDBG funding.

Notice of Funding Availability (NOFA)

- The 2025 NOFA is expected to be published by HCD in August 2025, with applications opening in October 2025.
- Currently, the precise level of CDBG funding available through the 2025 NOFA is unknown.
- The 2024 NOFA allowed jurisdictions to apply for up to three projects with the combined funding for all activities not to exceed \$3.6 million.
 - Infrastructure or public facility project: up to \$3.3 million
 - Housing program: up to \$1.5 million
 - Economic development: up to \$1.5 million
 - Public services: up to \$300,000
 - Planning and technical assistance: up to \$300,000

Schedule of Activities	Date
Community Meeting	July 15, 2025
Notice of Funding Availability	August, 2025
Board Approves Application Public Hearing	October, 2025
Submit Funding Application	October, 2025
HCD Review and Selection, Award Letter, Agreements to Proceed	Nov.-Many Months 2025-2026
Proceed With Programs and Projects	Mid Year 2026