CDBG Funding Eligibility Requirements

Public Infrastructure

Between 70% and 100% of all City CDBG funds should be obligated for projects benefiting persons/neighborhoods whose income is no more than 80% of the median income for Los Angeles County (not exceeding \$60,600 for a family of four). Rehabilitation and new construction of publicly owned facilities benefiting senior citizens and eligible disabled persons remain eligible anywhere in in the City.

Federal requirements for CDBG public infrastructure projects, which are limited to eligible neighborhoods, are based on 2010 Census data. As a result of demographic changes occurring since the 2000 census, the former Census Tract 7024.00, Block Group 2 has been split into the new Block Group 3 and Block Group 5. The area comprising the new Block Group 3 is no longer eligible for Category 1 funding. The attached maps indicate the areas in Culver City that are eligible for CDBG funding in this category. Culver City may allocate CDBG monies to residential public improvements (neighborhood street reconstruction, curbs, gutters, street lights, street trees, sidewalks) under two eligibility categories:

<u>Category 1</u>: The project is located in a Census Tract or Block Group (Census Tract subset) in which at least 51% of the residents have incomes not exceeding 80% of the County median income as documented by federal data. In east Culver City, only Census Tract 7024.00, Block Group 5 is eligible in this category. In west Culver City, only Census Tract 7028.02, Block Group 4 and Census Tract 7028.03, Block Groups 1, 2 and 4 are eligible. There is no limit on the allocation of CDBG monies for eligible projects in this category.

<u>Category 2</u>: The project is located within an area approved by the City Council and certified by the County (under HUD regulations) as environmentally deficient or "blighted." In Culver City, the only eligible area in this category is Census Tract 7024.00, Block Group 5. Culver City could, if desired, allocate all of the City's estimated allocation in this category through the FY 2016/2017 program without requesting a waiver from the County. The 30% federal limitation for public improvements in environmentally deficient or "blighted" areas became effective in 1991. Prior to that date, the funding limit for our then-eligible east Culver City block groups had been 40% of the City's annual allocation.

Exceptions for Elderly/Disabled/Code Compliance

There are several exceptions to the above CDBG funding requirements. Capital projects benefiting the elderly/disabled, including compliance with mandates pursuant to the Americans with Disabilities Act (ADA), are eligible Citywide, and rehabilitation projects for compliance with City health or safety codes are eligible on a "spot basis" anywhere in the City.

Public Service Projects:

The maximum amount eligible for public service projects is 15% of the City's annual CDBG allocation, which equates to approximately \$28,633 for FY 2016/2017. By Council policy, private non-profit organizations are not eligible for funding under CDBG because of reduced grant resources and the need for City project funding.