
CITY OF SAVANNAH
COMMUNITY DEVELOPMENT FACT SHEET

COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG)

Introduction

The Community Development Block Grant (CDBG) Program is the major Federal urban development assistance program. It is administered by the United States Department of Housing and Urban Development (HUD). The City of Savannah receives an annual grant that is used to "develop viable urban communities, provide decent housing and a suitable living environment, and expand economic opportunities, principally for persons of low and moderate income."

How CDBG Funds May Be Spent

A wide range of activities are eligible. They include acquiring land and buildings, rehabilitating homes and other buildings, constructing public facilities such as neighborhood centers, improving streets, sidewalks and lighting, preserving historic buildings, making loans to businesses, other special economic development activities, and providing public services. The activities may be carried out by the City or by a nonprofit agency.

All activities must meet one of three national objectives:

- Benefit low and moderate income persons,
- Prevent or eliminate slums and blight, or
- Meet other urgent needs, such as flood damage.

Public Services

Public services that benefit low- to- moderate income persons include, but are not limited to:

- g Child care
- g Health care
- g Job training
- g Recreation programs
- g Education programs
- g Public safety services
- g Fair housing activities
- g Services for senior citizens
- g Services for persons with disabilities
- g Services for homeless persons
- g Drug abuse counseling and treatment
- g Energy conservation counseling and testing
- g Home buyer down payment assistance
- g Welfare ~~B~~excluding income payments

Limitations

There are some activities that are not eligible for CDBG funds. These include religious, political, or fund-raising activities, construction of new housing, direct payments to individuals, and public services that the City already provides, such as police or sanitation.

In addition, the City may spend no more than no more than 15% of current year's grant plus previous year's program income on public services, and no more than 20% of its total CDBG budget on administration.

EMERGENCY SHELTER GRANT (ESG)

The Emergency Shelter Grant is a federal entitlement grant to fund the operating costs of emergency shelters, transitional housing, and support services for the homeless. Each year about 3,500 people in Savannah experience homelessness and the City uses ESG, plus some CDBG and some general fund grants, to help alleviate and prevent homelessness. ESG funds are 100% allocated in grants to non-profit agencies serving persons who are homeless.

HOME INVESTMENT PARTNERSHIPS PROGRAM (HOME)

The HOME Program is a federal affordable housing program which can be used to construct or renovate housing for low-income families. Eligible activities include:

- g** Owner-occupied home owner rehabilitation
- g** Home buyer programs such as acquisition, acquisition and rehabilitation, or new construction of affordable homes
- g** Rental housing activities such as acquisition, new construction, or rehabilitation of affordable renter housing
- g** Tenant-based rental assistance
- g** CHDO activities

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