

**General Information for
The Community Development Block Grant (CDBG) Program,
Home Program, and
Emergency Solutions Grant (ESG) Program**

The City of Jackson, MS receives annual grants from the U.S. Department of Housing and Urban Development (HUD) that are subject to its approved Consolidated Plan. These annual grants are:

CDBG: The primary objective is the development of viable urban communities by providing decent housing, suitable living environments, and expanded economic opportunities, principally for persons of low and moderate income levels. CDBG funds made available to qualified non-profit organizations can only be used for public services as defined in the CDBG Eligible Activities regulations at Section 570.201(e).

HOME: Applicants for HOME funds must show a demonstrated capacity for carrying out activities assisted with HOME funds. This program, authorized by the HOME Investments Partnership Act has four primary objectives: (1) provide decent, affordable housing to lower income households; (2) expand the capacity of non-profit housing providers; (3) strengthen the ability to state and local governments to provide housing; and (4) leverage private sector participation. HOME funds must be matched by non-federal funds. The matching contribution must be not less than 25% of the funds requested, excluding administrative costs.

ESG: The primary objective of the ESG Program is to assist those experiencing homelessness to quickly regain stability in permanent housing and/or assist those at risk of becoming homeless.

Since the CDBG, HOME, and ESG programs have different purposes and different eligible activities which can be funded, applicants need to specify the program from which they are requesting funds. If applicants would like more information about the City's program priorities, they may review a copy of the Consolidated Plan during normal business hours at the Development Assistance Division, 218 S. President, 2nd Floor, Jackson, Mississippi.

Common Questions

What are the National Objectives of the CDBG Program?

The use of CDBG funds is restricted to activities which meet one of three primary national objectives. These are:

- 1) To benefit low and moderate income person. Projects under this category must either primarily benefit low and moderate income person directly or areas where at least 51% of the persons residing in the area are low/moderate income.

- 2) To eliminate slums and blight; to directly address slum and blight in individual facilities or to directly address blighted conditions.
- 3) To meet urgent needs (serious and immediate threat to the health of welfare of the community). This category is rarely used; therefore, the City is not soliciting proposals for this category as it is usually used only after major disasters.

What activities are eligible for CDBG funding?

In addition to meeting at least one of the national objectives, activities must also meet eligibility criteria. The following are eligible activities under the CDBG program. While an activity may be eligible, funding is not guaranteed.

- 1) Acquisition/disposition of real property
- 2) Acquisition, construction, reconstruction, rehabilitation of public facilities and
- 3) Improvements
- 4) Clearance, demolition, and removal of building and improvements
- 5) Public services
- 6) Interim assistance
- 7) Payment of non-Federal share
- 8) Urban Renewal completion
- 9) Relocation payments and assistance
- 10) Loss of rental income
- 11) Housing services
- 12) Privately owned utilities
- 13) New Construction of housing
- 14) Home ownership assistance
- 15) Economic Development
- 16) Technical assistance to organization to increase their capacity for neighborhood revitalization or economic development
- 17) Rehabilitation and preservation of publicly or privately owned buildings and improvements for:
 - a. Residential purposes
 - b. Low-income public housing
 - c. Commercial or industrial buildings
 - d. Non-profit owned, non-residential buildings and improvements
 - e. Manufactured housing
- 18) Code enforcement
- 19) Historic Preservation
- 20) Lead based paint hazard reduction
- 21) Community-Based Development organization
- 22) Planning activities
- 23) Program administration costs.

Are there limitation on the use of CDBG funds?

- 1) At least 70% of the grant must be used for activities benefiting low and moderate income households.
- 2) No more than 15% of the annual grant can be spent on “public services” activities.
- 3) No more than 20% of the grant can be spent on program administration costs; which include planning, management, technical assistance to citizens, and fair housing programs.

What are the geographic areas covered by CDBG?

This program is citywide.

For Low and Moderate Income Benefit: Activities, such as job training or some social services, which provide services **directly** to a low or moderate income person or household, can occur anywhere within the corporate limits of the City of Jackson. Activities which benefit a neighborhood or other geographic area rather than directly to individuals, are restricted to areas in which at least 51% of the population have incomes at or below 80% of the area median income.

HOME PROGRAM

What is the objective of the HOME Program?

The primary objective of the HOME Program are to provide: (1) decent, affordable housing to lower income households; (2) expand the capacity of non-profit housing providers; (3) strengthen the ability to state and local governments to provide housing; and (4) leverage private sector participation.

What activities are eligible for HOME funding?

The following are eligible activities. While an activity may be eligible, funding is not guaranteed.

- 1) New construction of rental and ownership housing
- 2) Rehabilitation
- 3) Reconstruction
- 4) Conversion of buildings for affordable housing
- 5) Site improvements
- 6) Acquisition of property
- 7) Acquisition of vacant land
- 8) Demolition
- 9) Relocation payments and assistance

- 10) Refinancing
- 11) Capitalization of project reserves
- 12) Project related soft costs
- 13) Expensed of grant administration

What activities are prohibited under the HOME Program?

- 1) Project reserve accounts
- 2) Tenant based rental assistance in conjunction with Section 8 programs or rental rehabilitation programs
- 3) Match for other programs
- 4) Operation or modernization of public housing
- 5) Properties receiving assistance under the Low Income Housing Preservation and Resident Homeownership Act (LIHPRA) or the Emergency Low Income Preservation Act (ELIHPA)
- 6) Double Dipping – After the first year no HOME funds may be provided to a HOME assisted project, except:
 - a) Rental assistance to families may be renewed
 - b) Rental assistance may be provided to families that will occupy housing previously assisted with HOME funds
 - c) A home buyer may be assisted with HOME funds to acquire a unit that was previously assisted with HOME funds.
- 7) Acquisition of Participating Jurisdiction (City of Jackson) owned property.
- 8) Project-Based Rental assistance

What are the Geographic Areas covered by HOME?

This program is citywide.

What activities are eligible for ESG funding?

The following activities are eligible for consideration. While an activity may be eligible, funding is not guaranteed.

- 1) Street Outreach – funds may cover costs related to essential services for unsheltered persons (including emergency health or mental health care, case management and services for special populations.)
- 2) Emergency Shelter – funds may be used for operation and maintenance of those facilities.
- 3) Homeless Prevention and Rapid Re-housing – both components fund housing relocation and stabilization services.
- 4) Homeless Management Information Systems (HMIS).

- 5) Expenses of grant administration

Are there limitations of the use of ESG funds?

- 1) Funds used for street outreach and emergency shelter activities will be limited to the greater of 60% of the recipient's total fiscal year grant for ESG or
- 2) Grant administration expenses are limited to 7.5% of the grant.
- 3) The ESG Program funds must be matched (dollar for dollar) with non-federal funds.
- 4) A minimum of 40% of funds must be used for HMIS activities.

What are the geographic areas covered by ESG?

This Program is citywide.