

Community Development Block Grant Program
Guide to Meeting a National Objective
Low- and Moderate-Income Benefit on an Area Basis

The primary objective of the Community Development Block Grant (CDBG) Program is the development of viable communities by the provision of decent housing and a suitable living environment and expanding economic opportunities, principally for persons of low- and moderate-income (L/M income). This is to be achieved by ensuring that each funded activity meets one of the three named national objectives: benefiting L/M income persons; preventing or eliminating slums or blight; or meeting urgent need. The following is a summary of information found in the U.S. Department of Housing and Urban Development's *Community Development Block Grant Program: Guide to National Objectives & Eligible Activities for Entitlement Communities* regarding requirements in meeting the first and most common of the aforementioned national objectives. Provided is a brief definition of "area benefit" as defined in the CDBG regulations, and a summary of how the County, as Grantee, determines national objective compliance for such proposals.

To view the *Guide to National Objectives and Eligible Activities for Entitlement Communities* in its entirety, visit:

<https://www.hudexchange.info/resource/89/community-development-block-grant-program-cdbg-guide-to-national-objectives-and-eligible-activities-for-entitlement-communities/>

What is an Area Benefit Activity?

An area benefit activity is an activity ***which is available to benefit all the residents of an area that is primarily residential***. In Delaware County, in order to qualify as addressing the national objective of benefit to L/M income persons on an area basis, an activity must meet the identified needs of L/M income persons residing in an area where at least **44.76%** (based on 2010 American Community Survey) of the residents are L/M income persons. **The benefits of this type of activity are available to all residents in the area regardless of income. Thus all residents in the defined service area must be considered in the calculation of L/M percentage, not just those actually using the facility.**

For the most part, activities qualifying under the basic eligibility category of **Public Facilities and Improvements** provide a benefit to all the residents of an area and thus would be subject to meeting the criteria described here in order to meet the L/M Income Benefit national objective.

Typical area benefit activities include:

- Street and sidewalk improvements,
- Water and sewer line rehabilitation,
- Neighborhood and recreational facility improvements

Determining the Service Area

Accurately determining the area served by the activity is critical to meeting a national objective. Generally speaking, it is reasonable to assume that certain kinds of facilities serve only very small areas. For example, sidewalks and streetlights on a residential street, and tot-lots and small playgrounds would usually benefit only the residents of the immediately adjacent area. Conversely, a park containing multiple amenities or a parking area for residents not close enough to walk could not reasonably be designed to

serve only the block group it resides within. An activity located near the boundary of a block group(s) would be expected to include the neighboring block group(s). Regardless of the infrastructure/facility, it will be necessary for the applicant to determine, and the County to support, the service area before CDBG assistance may be provided. The factors considered in making the determination of the area served for these purposes are:

- ❖ The **nature** of the activity;
- ❖ The **location** of the activity;
- ❖ **Accessibility** issues; and
- ❖ The availability of **comparable activities**.

Nature of Activity

In determining the boundaries of the area served by a facility, its size and how it is equipped need to be considered. For example, a park that is expected to serve an entire neighborhood cannot be so small or have so little equipment (number of swings, slides, etc.) that it would only be able to serve a handful of persons at any one time. Conversely, a park that contains three ball fields, or a ball field with grandstands that can accommodate hundreds of spectators, could not reasonably be said to be designed to serve a single neighborhood. The same comparison would apply to the case of assisting a small, two-lane street in a residential neighborhood versus that of assisting an arterial four-lane street that may pass through the neighborhood but is clearly used primarily by persons passing through from other areas.

Location of Activity

Where an activity is located will also affect its capacity to serve particular areas, especially when the location of a comparable activity is considered. A library, for example, cannot reasonably be claimed to benefit an area that does not include the area in which it is located. When a facility is located near the boundary of a particular neighborhood, its service area would be expected to include portions of the adjacent neighborhood as well as the one in which it is located.

Accessibility

The accessibility of the activity also needs to be considered in defining the area served. For example, if a river or an arterial road forms a geographic barrier that separates persons residing in an area in a way that precludes them from taking advantage of a facility that is otherwise nearby, that area should not be included in determining the area served. Other limits to accessibility may apply to particular activities. For example, the amount of fees to be charged, the time or duration that an activity would be available, access to transportation and parking, and the distance to be traveled can all constitute barriers to the ability of persons to benefit. Language barriers might also constitute an accessibility issue in a particular circumstance.

Comparable Activities

The nature, location, and accessibility of comparable facilities and services must also be considered in defining a service area. In most cases, the service area for one activity should not overlap with that of a comparable activity (e.g., two community centers, two clinics, or two neighborhood housing counseling services).