

**ELIGIBLE/INELIGIBLE ACTIVITIES**  
**CDBG Small Communities Program**

**INELIGIBLE ACTIVITIES**

1. Buildings used predominantly for general conduct of government. *Exception: Removal of architectural barriers for disabled/handicapped.*
2. General Government Expenses to carry out regular responsibilities.
3. Political Activities are not permitted use of CDBG funds such as facilities, equipment, candidate forums or voter registration. *Exception: Facility previously funded with CDBG monies can be used on an incidental basis.*
4. Purchase of Equipment. *Exception: Purchase done in conjunction with approved economic development project.*
5. Construction Equipment. *Exception: Eligible CDBG activity which uses equipment can allow for leasing, depreciation or use allowance pursuant to OMB circulars A-87 or A-122. Also, purchase of equipment for solid waste disposal facility is eligible.*
6. Furnishings and Personal Property such as equipment, fixtures, motor vehicles, furnishings or other non-integral structural fixtures or personal property. *Exception: Purchase of items deemed necessary for use in administering of activities assisted with CDBG funds; or when eligible as fire fighting equipment or as public service.*
7. Operating and Maintenance Expenses generally associated with repairing, operating or maintaining public facilities and services such as streets, park and playground repair/maintenance, water/sewer facilities or senior centers. Salaries, utility costs and similar expenses for operation of public works and facilities. *Exception: Where public service is assisted with CDBG funds, cost of operating and maintaining that portion of facility in which service is located is eligible as part of public service.*
8. New Housing Construction of new permanent residential structures of financial subsidy of same. *Exception: Site preparations for low/mod housing.*
9. Income Payments for income maintenance, housing allowances, down payments and mortgage subsidies.

10. Church-owned Properties acquisition, construction, or rehabilitation of real property owned by churches or religious organization. *Exception: Leasing of property by a secular entity in accordance with a number of conditions or operation of a secular public service in connection with providing the secular public service.*
11. Conflict of Interest: No employee or agent of the grantee shall participate in the selection, award or administration of contract supported by Federal funds. If a conflict of interest, real or apparent, would be involved.

### **ELIGIBLE ACTIVITIES**

Eligible activities are difficult to present in any succinct manner given the various qualifications and conditions which must be met. This is apparent when taking into consideration the numerous exceptions attached to the previously stated ineligible activities.

Suffice it to say that it can be expressed simply that most activities which have a direct benefit to low and moderate income persons could be determined eligible unless the proposal clearly meets the ineligible criteria.

The following are examples of projects that were funded under previous Small Communities Program applications:

- Acquisition/Disposition of Real Property
- Public Facilities and Improvements
- Clearance Activities
- Public Services (15% CAP)
- Removal of Architectural Barriers (Qualifies as Public Facility)
- Water/Sewer Improvement
- Housing Rehabilitation
- Street and Sidewalk Improvements
- Storm Drain Improvements