

**SMALL CITIES COMMUNITY DEVELOPMENT  
BLOCK GRANT PROGRAM (CDBG)  
DEPARTMENT OF FINANCE & ADMINISTRATION**

**PROGRAM PURPOSE:**

To provide assistance to counties and smaller municipalities in their community development efforts to provide a suitable living environment, decent housing, essential community facilities and expanded economic opportunities, principally for persons of low and moderate income.

**AT A GLANCE**

**Fund Availability**

Total funding available: between \$9 million and \$16 million is usually available from HUD.

The grant amount is limited to \$500,000 per applicant.

Planning grant limit is \$50,000

**Eligibility**

- Counties
- Municipalities
- Special Districts
- Indian Tribes & Pueblos
- Other Local Governmental Units
- Non-profit 501(c)3
- Individual
- Private Business
- School Districts

**Type of Aid**

- Grant
- Cooperative Agreement
- Service Contract
- Loan
- Technical Assistance

**Deadline to Apply**

November

**Eligibility**

Municipalities and counties with a population of less than 50,000 persons are eligible for the state administered program. Indian pueblos and tribes and the cities of Albuquerque, Santa Fe, Rio Rancho, Farmington, and Las Cruces apply directly to HUD. Other entities such as water associations, sanitation districts, unincorporated villages and public non-profit groups, etc., cannot apply directly for assistance but may be involved in the execution of an approved project if the eligible applicant chooses to enter into an contractual agreement with that entity.

**Special Conditions**

All project funds must address at least one of the following:

- a) Benefit principally to low and moderate income families;
- b) Aid in the prevention or elimination of blight; or
- c) Meet other community development needs which are urgent because existing conditions pose a threat to the health and welfare of the community and where there are no other financial resources to meet needs.

Public participation in project planning is required by law, and applicants must conduct public hearings within the area served by the eligible applicant.

### **Use of Funds**

There are seven categories of funding, each with their own specifications:

- a) Acquisition, construction, or improvement of infrastructure facilities;
- b) Rehabilitation or repair of housing units;
- c) Acquisition, construction, or improvement of public service buildings;
- d) Economic development activities;
- e) Emergency activities;
- f) Planning and capacity building activities;
- g) Colonias activities.

Grant funds are made available to public bodies, and loan funds may be used to assist private-for-profit entities participating in the project.

### **Funding Availability**

#### **Funding Potential**

Between \$9 million and \$16 million is usually available from HUD for the program.

#### **Range of Awards**

There is a \$500,000 grant limit per applicant. In the case of planning grants the limit is \$50,000. Economic development programs may combine grant and loan funds.

#### **Funding Cycle - Duration**

The program operates on the federal fiscal year. Applications are accepted in January, funding decisions are made in March and contracts are executed in March and April.

#### **Source of Funds**

Federally funded and passes through the state before being distributed locally.

### **Application Process**

#### **Deadline**

January of each year. Emergency, planning and economic development applications are accepted throughout the year.

#### **How to Apply**

In September, regulations are provided to all eligible applicants. In October, application workshops are conducted and applications must be received in November for ranking and rating by the staff.

#### **Selection Criteria & Decision Authority**

Applications are ranked by the Local Government Division staff on a point system utilizing the following criteria: a) need, b) appropriateness, c) fiscal capacity, d) leveraging, e) citizen participation/planning, f) feasibility, and g) cost/benefit. Economic development grants and loans have separate ranking and rating criteria; a) need, b) potential impact, and c) benefit to low and moderate income persons. The Community Development Council includes the Governor, Lt. Governor, Secretaries of Finance, Health and Environment and representatives from the seven planning districts appointed by the Governor to make policy and funding decisions

### **Authorization**

The Housing and Community Development Act of 1974, as amended, Title I (PL 100-242) The New Mexico Community Assistance Act, Sections 11-6-1 through 11-6-9, NMSA 1978.

**Related Programs**

Infrastructure projects are also funded by the Environment Department, NM Finance Authority and Department of Highways and Transportation. Low and moderate income housing projects are also funded by the New Mexico Mortgage Finance Authority and economic development projects by the Economic Development Department.

**Information Contacts**

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