

MICHIGAN COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) PROGRAM

The Michigan Strategic Fund administers the Michigan Community Development Block Grant (CDBG) program. CDBG is a federal grant program utilizing funds received from the U.S. Department of Housing and Urban Development (HUD). Funds are used to provide grants to eligible counties, cities, villages, and townships, usually with populations under 50,000, for economic development, community development, and housing projects. The Michigan Strategic Fund, in cooperation with the Michigan Economic Development Corporation,SM administers the economic development and community development portions of the program and the Michigan State Housing Development Authority (MSHDA) administers the housing and downtown development portions of the program.

Each year, Michigan receives approximately \$36 million in federal CDBG funds out of which approximately 150 projects are funded throughout the state.

The following counties and their respective units of local governments are not eligible for state of Michigan CDBG funds:

- Genesee County (with the exception of the cities of Flushing and Linden)
- Kent County
- Macomb County
- Oakland County
- Wayne County
- Washtenaw County and the following units of government within the county are not eligible for Michigan CDBG funds:
 - Ann Arbor City, Pittsfield Township, Ann Arbor Township, Salem Township, Bridgewater Township, Superior Township, Northfield Township, Ypsilanti Township, Scio Township, York Township and Ypsilanti City

The following Michigan cities are not eligible to directly apply for or directly receive state of Michigan CDBG funds:

Battle Creek, Jackson, Muskegon, Port Huron, Bay City, Kalamazoo, Muskegon Heights, Saginaw, Benton Harbor, Lansing, Niles, East Lansing, Midland, Norton Shores, Holland, Monroe and Portage

Indian tribes eligible for assistance under Section 107(a) (7) of the Housing and Community Development Act are not eligible to directly apply for or directly receive Michigan CDBG funds. However, an eligible county or township may apply for Michigan CDBG funds for projects located on Indian reservations if the unit of general local government has the legal authority to fund such projects on Indian reservations and Indian preference is not provided.

Economic development projects are those involving activities directly related to a for-profit private business location or expansion project that will result in the creation of permanent jobs, with at least 51 percent of the jobs held by low- and moderate-income people. Eligible community development projects are those with community development activities that address critical infrastructure needs in communities with concentrations of low- and moderate-income people of at least 51%.

To receive consideration for CDBG funding, initial contact should be made with the MEDC at the number below. If the project appears eligible, then a local government may be invited to prepare and submit a Notice of Intent (NOI) to the MEDC. A NOI is a three-page form providing basic information on the proposed project. If the proposed project warrants further consideration, the MEDC may authorize the local government to prepare a full application.

For more information, contact the MEDC Customer Assistance Center at 517.373.9808.