



U.S. Department of Housing and Urban Development

Office of Community Planning and Development
Disaster Recovery Grant Reporting System



CDBG and CDBG-DR: A Comparison

	CDBG	CDBG-DR
Statutory Authority	<ul style="list-style-type: none"> • Housing and Community Development Act of 1974, as amendment (HCDA) • Annual appropriation acts 	<ul style="list-style-type: none"> • Supplemental appropriation provides funds for specific disasters/years • HCDA provides basic framework
Primary Objective	<ul style="list-style-type: none"> • Viable communities through provision of decent housing, suitable living environment and economic opportunity 	<ul style="list-style-type: none"> • Disaster relief, long term recovery, restoration of infrastructure and housing, and economic revitalization
Regulations	<ul style="list-style-type: none"> • 24 CFR 570 	<ul style="list-style-type: none"> • 24 CFR 570 • Federal Register Notices for each CDBG-DR appropriation • Appropriation allows HUD to waive HCDA provisions and add alternatives
Grantees	<ul style="list-style-type: none"> • States • Entitlement cities and counties • Insular areas (inc. USVI) 	<ul style="list-style-type: none"> • States • Appropriation may give HUD option for local government awards (entitlements plus insular areas)
Funds Allocation Process	<ul style="list-style-type: none"> • Statutory formulas in section 106 of HCDA 	<ul style="list-style-type: none"> • Appropriation provides guidance • HUD allocates by using FEMA/SBA data to identify most impacted and distressed areas • HUD has wide discretion
Eligible Activities	<ul style="list-style-type: none"> • Housing • Public Services • Real Property Improvements • Public Facilities • Economic Development 	<ul style="list-style-type: none"> • Same as CDBG • Appropriation allows HUD to waive HCDA provisions and add alternatives
Administration & Planning Costs	<ul style="list-style-type: none"> • Capped at 20% of grant plus program income 	<ul style="list-style-type: none"> • Appropriation provides up to 5% for administration • Extensive planning costs permissible
Application	<ul style="list-style-type: none"> • Grantee submits Annual Action Plan to HUD • Plan is accepted unless HUD identifies defined problems 	<ul style="list-style-type: none"> • Appropriation requires grantee to submit Disaster Recovery Action Plan to HUD • HUD must affirmatively approve plan providing opportunity to address HUD concerns
Overall Benefit	<ul style="list-style-type: none"> • 70% of CDBG funds expended must benefit lo-mod income (LMI) persons 	<ul style="list-style-type: none"> • Appropriation may retain 70% level or may reduce it • HUD may reduce the 70% level per waiver/alternative authority based on compelling need