



Community Development Block Grant (CDBG) 2023 Action Plan

City of Watsonville Community Development Department



CDBG Program Overview

Federal Program established in 1974

City became an Entitlement Jurisdiction in 1994

Consolidated Plan



2020-2024 Consolidated Plan

- An Assessment of the housing and community development needs,
- A strategic plan for addressing those needs, and
- An annual Action Plan that outlines how the CDBG funds will be used each year



CDBG National Objectives

- Benefit Low- to Moderate-Income Persons or Households
 - at or below 80% of County median income
- Prevent or Eliminate Slum and Blight
- Serve Urgent Community Need
 - Natural Disaster Recovery, urgent public health measures



Examples of Eligible Activities

- Affordable Housing:
 Rehabilitation of housing and other buildings
- Public facilities and infrastructure:
 - Construction and improvements of public utility systems, sidewalks, streets, neighborhood centers
- Public Services (within limits 15% cap)
- Economic development and job creation/retention



Examples of Ineligible Activities

- Purchase, construction, or reconstruction of buildings for the general conduct of government
- Equipment, operating and maintenance expenses
- Political activities
- Grants to businesses
- Subsistence or welfare-type grants to an individual or family, and
- Construction of new housing by local governments



CDBG Funding Requirements

- At least 70% of CDBG expenditures must "principally benefit" low- and moderateincome persons (overall benefit)
- ALL CDBG expenditures must address at least one of the national objectives:
 - Benefit Low- and Moderate-Income persons
 - Prevention or Elimination of Slum and Blight
 - Urgent Community Needs



CDBG Priorities

- Affordable Housing
- Economic Development

Public Services

Public Facilities







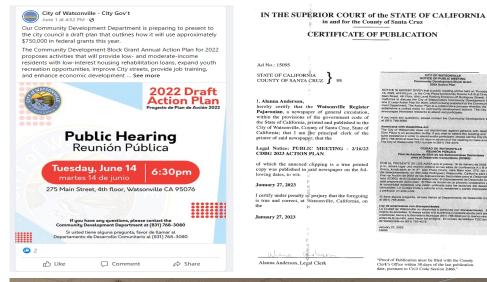






Community Outreach









CDBG Funds Available for 2023

Funds	Amount
2023 Entitlement Grant	\$663,290
Program Income (2023 Estimated Receipts)	\$ 80,000
2022 Unused Funds (for reappropriation)	\$100,000
Total available	\$843,290



2023 CDBG Funding Proposal

Activity Summary	Amount
Public Services (Statutory limit: 15% of total)	\$113,120
Code Enforcement	\$100,000
Economic Development	\$50,000
Public Facilities (Ramsay Park)	\$100,000
Sec. 108 Loan Repayment	\$167,705
Planning and Administration (Statutory limit: 20% of total)	\$148,658
Housing Rehabilitation Program	\$163,807
Total	\$843,290



Staff Recommendation

Staff recommends that following the public hearing, the City Council adopt a Resolution to approve the submittal of the 2023-2024 Annual Action Plan