CITY OF MADERA

COMMUNITY DEVELOPMENT BLOCK GRANT – NOTICE OF FUNDING

PROGRAM YEAR 2027/28

What is CDBG funding?

The Community Development Block Grant (CDBG) program is administered by the U.S. Department of Housing and Urban Development (HUD). HUD distributes annual CDBG allocations to entitlement communities such as City of Madera (City). For Program Year (PY) 2027/28 the City's tentative CDBG allocation is anticipated to be approximately $990,000. Note that all funding amounts are approximate until HUD announces the PY 2027/28 funding allocations.

This amount allows:

- Up to 20% (approximately $198,000) for Administration proposals.
- Up to 15% ($148,500) for Public Service proposals to low- and moderate-income households (according to household size by total gross annual income).
- Approximately $643,500 for Capital Projects/Public Improvements.

HUD requires the submission of an Annual Action Plan (AAP) to access CDBG entitlement funds. The City develops the AAP based on needs and goals identified in the City's 2025-2029 Consolidated Action Plan (ConPlan). The ConPlan is an assessment of the local community needs. It is data and community-based driven, includes extensive input from different groups as well as individuals, and ultimately provides a road map for City staff to effectively utilize annual CDBG funding allocations. The development of the 2026/27 CDBG AAP is based on the following:

Identified Needs

The City of Madera's priority needs were identified through an extensive public input process. The City will use its available CDBG and HOME resources to fund activities that will achieve the goals identified in the ConPlan.

The Consolidated Plan embodies and reflects five overall goals, which relate to the major commitments and priorities of HUD. These goals serve as the basis for the actions the City will use to meet these needs. The goals are listed below in no order:

- Low- to moderate-income citizens will have access to safe, decent, and affordable housing
- Improve the quality and access to programs and facilities for health and safety, transportation, and recreation services
- Enhance the economic well-being of all citizens through education and training, employment opportunities, and business development

- Enhance the quality and use of the physical infrastructure of Madera
- Prevent and reduce homelessness
- Administration

Eligible Uses of CDBG Funds

Planning and Administration

CDBG funds may be used for planning activities (§ 570.205). Such activities might include:

1. Comprehensive plans;
2. Community development plans (including the Consolidated Plan);
3. Functional plans (for housing; land use and urban environmental design; economic development; open space and recreation; energy use and conservation; floodplain and wetlands management; transportation; utilities; historic preservation; etc.);
4. Other plans and studies (e.g., small area and neighborhood plans; capital improvements program plans; individual project plans; general environmental; urban environmental design; historic preservation studies; etc.);
5. Policy planning, management, and capacity building activities.

Public Services:

Public services are also generally eligible under the CDBG Program (§ 570.201(e)). These public service activities may include, but are not limited to:

1. Job training and employment services;
2. Health care and substance abuse services;
3. Childcare;
4. Crime prevention;
5. Fair Housing counseling.

Housing Activities:

There are many activities related to housing that are eligible under the CDBG Program. The list of eligible activities includes:

1. Housing services in connection with Home Investment Partnerships (HOME) Program activities (§ 570.201(k));
2. Construction of housing assisted under Section 17 of the U.S. Housing Act of 1937 (§ 570.201(m)) or construction of housing by eligible CBDOs (§570.204(a)) or as last resort housing under §570.207(b)(3)(i);
3. Homeownership assistance (such as downpayment assistance and interest subsidies) (§570.201(n) or §570.201(e));
4. Rehabilitation of buildings that are owner-occupied housing (§ 570.202). This also includes conversion of non-residential structures for residential use. The following types

of rehabilitation activities may be undertaken:

a. Acquisition for rehabilitation and rehabilitation for residential purposes;
b. Labor, materials, etc. for rehabilitation of properties;
c. Loans for refinancing existing secured indebtedness;
d. Energy improvements;
e. Water efficiency improvements;
f. Connection to water and sewer lines;
g. Some homeowner warranty, hazard and flood insurance premiums;
h. Testing for and abatement of lead-based paint;
i. Costs of acquiring tools to be lent for rehabilitation;
j. Rehabilitation services;
k. Assistance for the rehabilitation of housing under Section 17 of the United States Housing Act of 1937; and
l. Removal of material and architectural barriers that restrict accessibility to eligible buildings

5. Lead-based paint testing and abatement as a stand-alone program or included as rehabilitation as noted above (§ 570.202(f));
6. Activities that support new housing construction such as acquisition (§570.201(a) and (b)), clearance (§570.201(d)), site improvements (§570.201(c)), and street improvements (§570.201(c)).

Other Real Property Activities:

In addition to the housing-related activities outlined above, many other real property activities are eligible to be funded by CDBG such as:

1. Acquisition (§ 570.201(a)); – Disposition (§ 570.201(b));
2. Clearance and demolition (§ 570.201(d));
3. Rehabilitation of publicly- or privately-owned commercial or industrial buildings (§ 570.202);
4. Code enforcement (§ 570.202(c));
5. Historic preservation (§ 570.202(d));
6. Renovation of closed buildings (§ 570.202(e));
7. Interim assistance to arrest severe deterioration or alleviate emergency conditions (§ 570.201(f))—Note: this activity may include some specific types of services, please refer to the regulations for more information;
8. Privately-owned utilities (§ 570.201(l));
9. Completion of urban renewal projects (§ 570.201(h))—Additional information about this activity may be found at § 570.800.

Public Facilities and Improvements:

CDBG funds may be used for the acquisition, construction, reconstruction, rehabilitation, or installation of public improvements or public facilities. (§ 570.201(c))

1. “Public improvements” includes, but is not limited to, streets, sidewalks, water and sewer lines, and parks.
2. “Public facilities” includes, but is not limited to, neighborhood/community facilities and facilities for persons with special needs (e.g. homeless shelters, group homes, and halfway houses).

Economic Development:

CDBG funds may also be used for activities related to economic development. The following are examples of eligible activities that can be funded by CDBG:

1. Microenterprise assistance (§ 570.201(o));
2. Commercial Rehabilitation; and
3. Special economic development activities (§ 570.203)

Community Based Development Organizations (CBDOs):

CDBG recipients may also provide grants or loans to CBDOs to carry out the following types of projects (§ 570.204):

1. Neighborhood revitalization.
2. Community economic development; and
3. Energy conservation.

Other Types of Activities:

Certain other types of activities are also eligible under CDBG, including:

1. Payment of non-Federal share of grants in connection with CDBG-eligible activities (§ 570.201(g));
2. Relocation assistance (§ 570.201(i));
3. Loss of rental income (related to relocation) (§ 570.201(j));
4. Technical assistance to public or nonprofit entities to increase the capacity of such entities to carry out eligible neighborhood revitalization or economic development activities (§ 570.201(p)); and
5. Assistance to institutions of higher education with the capacity to carry out other eligible activities (§ 570.201(q)).

Ineligible Activities

This section describes activities that are not eligible under the CDBG Program.

1. The general rule is that any activity not specifically authorized under the CDBG regulations and statute is ineligible to be assisted with CDBG funds.
2. In addition, the regulations stipulate that the following activities may not be assisted with CDBG funds:

a. Buildings for the general conduct of government are ineligible. However, the removal of architectural barriers from government buildings is eligible under the category of public facilities and improvements.
b. General government expenses are ineligible.
c. Financing for political activities or to engage in other partisan political activities are ineligible. However, a facility assisted with CDBG funds may be used on an incidental basis to hold political meetings, candidate forums, or voter registration campaigns, if the building is available to all community organizations on an equal basis.

3. The following activities may ***not*** be assisted with CDBG funds **unless** authorized as a special economic development activity or when carried out by a CBDO:
    a. Purchase of equipment is generally ineligible.
    b. Compensation for the use of construction equipment through leasing, depreciation, or use allowances is eligible.
    c. Fire protection, considered an integral part of public facilities, is eligible. This includes fire engines and specialized tools such as "jaws of life" and life-saving equipment as well as protective clothing worn by fire fighters.
    d. Purchase of personal property, including equipment, fixtures, motor vehicles, furnishings, or other personal property is generally ineligible.
    e. Operating and maintenance expenses (of public facilities, improvements, and services) are ineligible.
    f. Specific exceptions to this general rule are operating and maintenance expenses associated with public service activities, interim assistance, and office space for program staff employed in carrying out the CDBG program.
4. New housing construction is ineligible except under certain conditions or when carried out by a CBDO.
5. Income payments made to an individual or family for items such as food, clothing, housing, or utilities are ineligible.
6. One-time grants, emergency type grants, or loans for such purposes may be eligible under the category of Public Services.

CDBG Resources

The following resources are helpful to grantees and subrecipients administering CDBG activities:

1. Community Development Block Grant Program: Guide to National Objectives and Eligible Activities for Entitlement Communities.
2. "A Guidebook for Grantees on Subrecipient Oversight: Managing CDBG." (Revised March 2005) Available on HUD web site and via Community Connections.
3. Some of the resources listed above as well as other documents and information may be found on the OneCPD Resources Exchange: http://www.onecpd.info.

CDBG Application Submission Information

Application Opens:	November 2, 2026
Application Deadline:	January 29, 2027 by 5:00 p.m.
Application Delivery:	Applications will only be accepted electronically via email at grantsinfo@madera.gov.
City Contact:	Marcela Zuniga, (559) 661-3692, mzuniga@madera.gov

Attachment A Priority Needs for the 2026/27 Annual Action Plan	
Top Needs Areas	Target Areas
Increase Affordable Housing	Use CDBG and HOME funds to advance the development of affordable housing and owner-occupied rehabilitation including disability access/improvements and similar projects.
Enhance Public Improvements and Public Infrastructure	Enhance the quality and use of the physical infrastructure of Madera
Address Homeless Needs and Services	Addressing the individuals and families that are experiencing homelessness and preventing others from becoming homeless was among the top needs identified during the public meetings and surveys that were completed. There is a need to provide services to those experiencing homelessness and temporary shelter situations so the homeless individuals and families may regain housing stability.
Improve Public Services	Housing and general cost of living expenses continue to increase. Lower income households may need support services to obtain and maintain standard affordable housing. Providing support services including but not limited to childcare, after-school programs for youth, recreational activities for seniors and supportive services for at-risk populations will assist lower income households obtain and maintain standard affordable housing.
Community and Economic Development	With the rising cost of living, there is a growing need to help lower-income households increase their earnings. Providing job training and educational opportunities can empower low- and moderate-income households to improve their financial stability.