

6. Department of Housing and Urban Development—CDBG, Economic Development Initiative (EDI)

EDI projects are intended for economic and community development activities, consistent with statutory and additional committee requirements. For FY24, project requests must be eligible under one or more of the following criteria of the Community Development Block Grant (CDBG) program: 42 U.S.C.

- 5305(a)(1), 5305(a)(2), 5305(a)(4), 5305(a)(5), and limited to land or site acquisition, demolition or rehabilitation, blight removal, and construction and capital improvements of public facilities, except for “buildings used for the general conduct of government.”
- 5305(a)(1) – acquisition of real property (including air rights, water rights, and other interest therein) which is (A) blighted, deteriorated, deteriorating, undeveloped, or inappropriately developed from the standpoint of sound community development and growth; (B) appropriate for rehabilitation or conservation activities; (C) appropriate for the preservation or restoration of historic sites, the beautification of urban land, the conservation of open spaces, natural resources, and scenic areas, the provision of recreational opportunities, or the guidance of urban development; (D) to be used for the provision of public works, facilities, and improvements eligible for assistance under this chapter; or (E) to be used for other public purposes.
- 5305(a)(2) – acquisition, construction, reconstruction, or installation (including design features and improvements with respect to such construction, reconstruction, or installation that promote energy efficiency) of public works, facilities (except for buildings for the general conduct of government) and site or other improvements.
- 5305(a)(4) – clearance, demolition, removal, reconstruction, and rehabilitation (including rehabilitation which promotes energy efficiency) of buildings and improvements (including interim assistance, and financing public or private acquisition for reconstruction or rehabilitation, and reconstruction or rehabilitation of privately-owned properties, and including the renovation of closed school buildings).
- 5305(a)(5) – special projects directed to the removal of material and architectural barriers, which restrict the mobility and accessibility of elderly and handicapped persons. Funding is not eligible for programmatic and operational expenses or museums, commemoratives, memorials, swimming pools, water parks, golf courses, healthcare facilities, venues strictly for entertainment purposes (e.g., theatres and performing arts venues), courthouses, and townhalls. In addition, funding is not eligible for reimbursement of expenses for soft costs (planning, administrative) incurred prior to the completion of a grant agreement between HUD and the grantee. A grant agreement and a completed environmental review are necessary for reimbursement of hard costs (construction activities). Projects will be subject to various federal requirements such as the National Environmental Policy Act (NEPA), HUD’s NEPA implementing regulations (24 CFR Part 50 or 58), and all applicable federal environmental and historic preservation laws, regulations, and executive orders. An environmental review must be completed before HUD funds and new commitments on non-HUD funds can be used for a project.

EDI community project funding does not have a local match requirement.

Best For: Projects administered by governmental or non-profit entities, including public housing

agencies, as well as tribes and tribally designated housing entities.

Eligible projects might include water or sewer infrastructure projects that are not otherwise eligible to be funded under EPA STAG or Rural Water and Waste accounts; local road infrastructure that is not otherwise eligible under the Highway Infrastructure Projects account; streetscape improvements; public or non-profit housing rehabilitation, housing development financing, residential conversions, and neighborhood revitalization projects that would increase housing supply and/or improve housing affordability in the local community; projects with a clear economic development benefit such as workforce training centers and manufacturing incubators; and projects that meet a compelling local need consistent with statutory purposes (food banks in economically disadvantaged neighborhoods, youth and senior centers, and multipurpose community centers).

FY23 Example:

- \$500,000 for Erie Canalway Heritage Fund, Inc. Matton Shipyard Preservation and Adaptive Reuse Initiative
- \$800,000 for Unity House of Troy, Inc. Employment Services Facility Improvements Project