



# Community Development Block Grant (CDBG) Program

- 2025 Notice of Funding Availability

*Public Hearing on October 23, 2025*





# 2025 Notice of Funding Availability (NOFA)

- Capitola in non-entitlement program
- Housing and Community Development Department (HCD) released approximately \$27 million on September 30, 2025
- Funds are provided as grants for wide range of activities, including housing, public services, economic development, infrastructure and more
- All CDBG funds must meet a national objective: benefit low/moderate income persons, aid in prevention of slums and blight, or meet an urgent need



# 2025 NOFA – What's New

- All application will be competitively scored – Over The Counter (OTC) component has been removed.
- A set-aside for applicants who haven't been awarded CDBG funds in past 5 NOFA cycles has been established.
- Scoring system has been updated



# 2025 Notice of Funding Availability

- Jurisdictions are eligible to submit an application with up to three (3) activities of the following combinations
  - 1 Project + 1 Program + 1 Public Service or Planning –OR–
  - 1 Project + 2 Public Service or Planning –OR–
  - 1 Program + 2 Public Service or Planning
  - \*\*NOTE: 2 Projects, 3 Public Services, or 3 Planning applications are not allowed
- Maximum award is \$3.6 million per jurisdiction
- Applications are due January 30, 2026 at 3 PM.



# Activities: Projects (maximum 1)

- Public Improvement / Public Facilities
- Examples include: water, sewer, streets, sidewalks, storm drain, parks, senior centers, etc.
- Application maximum for projects - \$3.3 Million
- Projects must demonstrate readiness at time of application, i.e. NEPA, cost estimate, bid-ready plans and specs, etc.



# Activities: Programs (maximum 1)

- Housing Programs: Owner occupied rehabilitation program, homeownership assistance, code enforcement, housing counseling, etc.
- Economic Development Programs: Direct financial assistance to For-Profit business, microenterprise assistance, and technical assistance
- Application maximum for programs - \$1.5 Million
- City previously used under CV funds and 2014 CDBG



## Activities: Public Services (maximum 2)

- Application maximum for public services: \$300,000
- CDBG funds may be used to pay for labor, supplies and material for an eligible public service, which may include:
  - Homeless Services
  - Recreational Services
  - Health Services
  - Meals on Wheels
  - Food Distribution
  - Crime prevention and Public Safety, and more.....

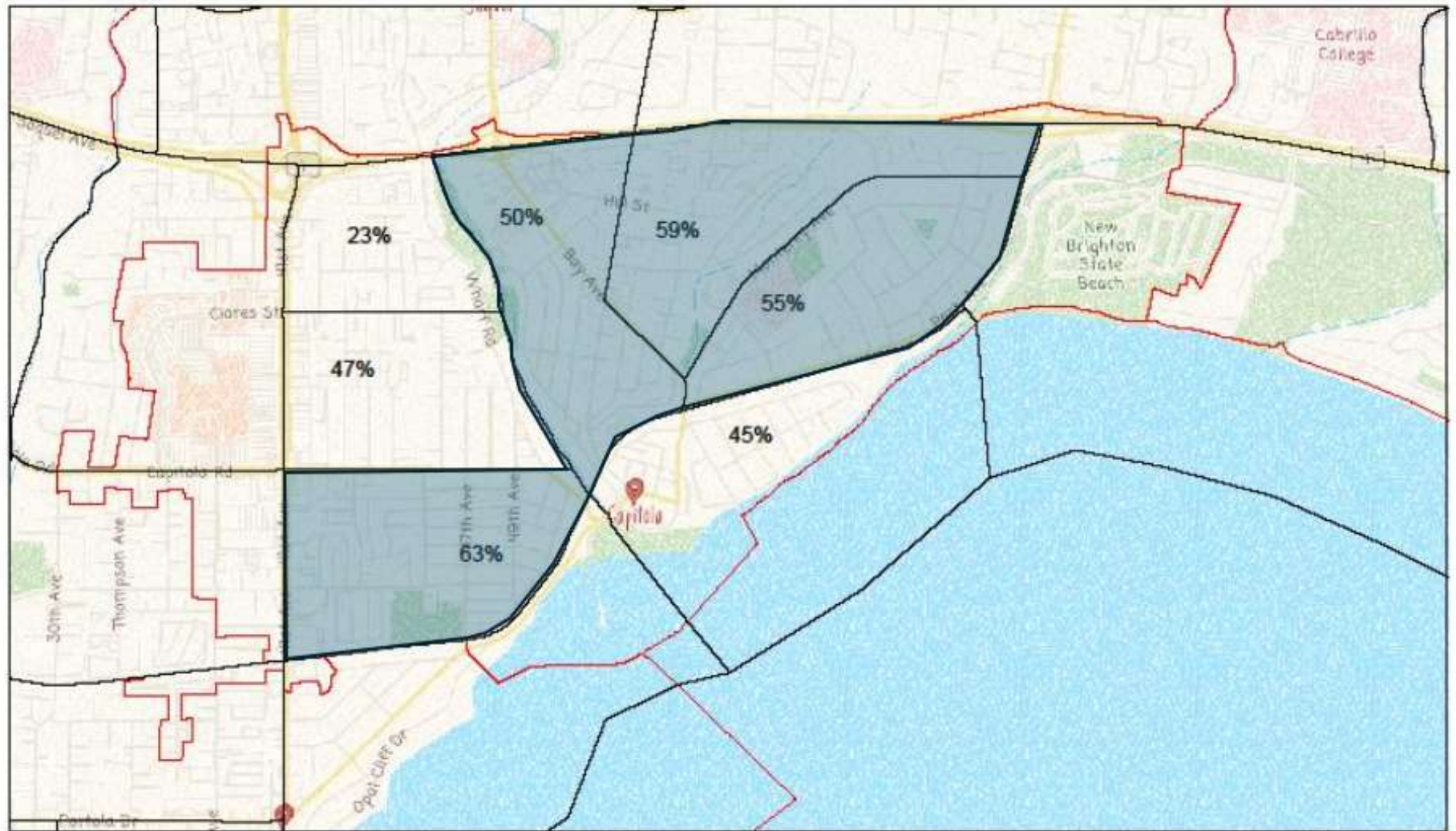


# Activities: Planning

- Application maximum for Planning: \$300,000
- Examples include:
  - Comprehensive Plans
  - Capital Improvement Plans
  - Functional Plans for housing, land use, open space and recreation, transportation, etc.
  - Feasibility studies for future improvements
  - Water/Sewer/Storm Drainage master plans, and more...

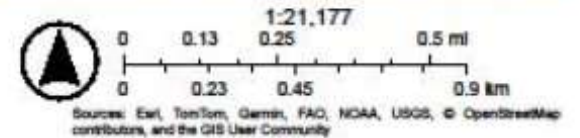


## CDBG Qualified Areas



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- LMISD by Block Groups
- LMISD by County Subdivision
- LMISD by Place
- LMISD by County
- Qualified CDBG Census Block





# Recommendations

- Open Public Hearing
- Receive any public comment
- Close Public Hearing
- Council Discussion
- No Action