



COUNTY OF SAN DIEGO  
HEALTH AND HUMAN SERVICES AGENCY  
HOUSING AND COMMUNITY DEVELOPMENT SERVICES

# COMMUNITY DEVELOPMENT BLOCK GRANT

## FISCAL YEAR 2026-2027

Proposals Due 3:00 PM Friday, October 31, 2025

### Application Guide



LIVE WELL  
SAN DIEGO

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## CDBG BACKGROUND

The Community Development Block Grant (CDBG) program provides annual grants on a formula-basis to entitlement cities and counties to develop viable urban communities. The program seeks to provide decent housing, create a suitable living environment, and expand economic opportunities, primarily for low and moderate-income persons. The CDBG program is authorized under Title I of the Housing and Community Development Act of 1974.

The County of San Diego is an entitlement jurisdiction that receives CDBG funding from the U.S. Department of Housing and Urban Development (HUD). The County's CDBG program serves the San Diego Urban County, which includes the unincorporated areas of the County and six participating cities: Coronado, Del Mar, Imperial Beach, Lemon Grove, Poway, and Solana Beach. Each participating city allocates its funding through its own award process.

The County administers its CDBG program through a competitive application process, making funds available to eligible applicants in the form of grants. The program is managed by the Housing & Community Development Services (HCDS) within the Health and Human Services Agency (HHS).

CDBG funds may be used for a wide range of activities that support low- and moderate- income communities. Eligible uses include, but are not limited to:

- Acquisition of property,
- Construction or rehabilitation of public facilities or infrastructure,
- Economic development and job creation/retention,
- A limited range of public services.

Affordable housing acquisition, development, and rehabilitation are **not eligible** through this application process.

Each activity must meet at least one of HUD's national objectives:

- Benefit low- and moderate-income persons,
- Prevention or elimination of slums or blight, or
- Meet an urgent community need.

## NATIONAL OBJECTIVES

All projects are required to meet and measure impact for at least one of HUD's national objectives ([CDBG Chapter 3: National Objectives](#)):

Primarily benefit low- or moderate-income persons or households- Low- or moderate-income (LMI) refers to those earning less than 80% area median income. This is the most common qualifier.

Limited clientele activities – A limited clientele activity benefits a specific sector of the community rather than all the residents in a particular area, of which at least 51% must be LMI persons. To qualify for this category, the activity must meet one of the following criteria:

- Collect information from all participants about family size and income through intake forms to demonstrate that at least 51% of clientele do not exceed the LMI limits.
- Exclusively benefit clientele HUD has presumed are principally LMI, including abused and neglected children, seniors, severely disabled adults, persons experiencing homelessness, domestic violence survivors, illiterate adults, persons living with HIV/AIDS, etc.



Area benefit activities – An area benefit activity benefits all residents within a defined geographic area. Projects that serve the public or a community, such as a street improvement or park project, must demonstrate that the surrounding area beneficiaries are income eligible.

Tool: [LMI Census Tracts Map](#)

Please note this tool covers all LMI Census tracts in the region, including areas outside the County's CDBG jurisdiction.

Aid in the elimination of slum or blight conditions (uncommon)- HUD has [strict guidelines](#) on how CDBG funds can address the condition of physical decay or deterioration in communities through targeted interventions.

Meet an urgent community need (uncommon)- This addresses community development needs having a particular urgency because existing conditions pose a serious and immediate threat to the health or welfare of the community. Generally, this objective is only used in the case of recent serious natural disasters (e.g., earthquake, flooding, etc.)

## PROJECT GOALS

All CDBG projects must serve as a public benefit, as well as, address one of the [2025-29 County of San Diego's Consolidated Plan goals](#):

- **Affordable Housing Opportunities** - Invest in housing options that expand the affordable housing stock and increase efficiency and affordability within the existing housing supply.
- **Housing Stability** - Strengthen and support housing stability amongst the region's most vulnerable populations by supporting programs across the homeless to housed continuum.
- **Quality of Life** - Improve quality of life throughout communities by improving access to vital services, community infrastructure, and economic development opportunities.

Additionally, CDBG projects must reflect alignment with the Annual Plan Strategy. Each year, HCDS develops an Annual Plan Strategy, shaped by community input, which serves to prioritize feasible projects for the upcoming program year.

The proposed fiscal year (FY) **2026-27 Annual Plan Strategy** funding priorities include projects that:

- Support the development and rehabilitation of affordable housing.
- Maintain emergency and long-term supportive housing assistance options
- Promote housing and economic stability by investing in programs that help individuals maintain housing
- Improve neighborhoods and public facilities that foster safe, healthy, accessible, connected, and livable communities

The proposed FY 2026-27 Annual Plan Strategy is currently in draft form and will be presented to the County of San Diego, Board of Supervisors (Board) during a public hearing on November 4, 2025.

## PROJECT ELIGIBILITY

CDBG subrecipients share a joint responsibility with the County to ensure all federal requirements are met. Some requirements may extend years beyond completion of a project.

CDBG subrecipients must adhere to all federal guidelines and administrative requirements outlined in [2 CFR Part 200](#) and [24 CFR Part 570](#). 2 CFR Part 200 is the primary source for guidance on administration and financial management. Whereas 24 CFR Part 570 outlines all CDBG program specific regulations. These regulations and requirements are also applicable to all subawards or subcontractors.

Successful CDBG applications will reflect the capacity to achieve all program requirements including but not limited to compliance, monitoring, reporting, and financial management. Applications must also meet the eligibility requirements set by HUD. Below is a summary of the eligibility and program requirements to consider, prior to completing a CDBG application. Additionally, please note that the CDBG program operates on a cost reimbursement basis. Subrecipients must have financial resources to pay for project costs up front.

For additional resources including HUD program requirements, regulations, and reporting visit:

[Code of Federal Regulations for HUD Programs](#)

[Code of Federal Regulations for CDBG](#)

[Housing and Community Development Services CDBG Resources](#)

CDBG applications may be submitted by non-profit agencies, government or public entities, and community residents. Applications must be submitted by an authorized representative, as approved by the organization's governing board. For-profit organizations that support microenterprise economic development activities are also eligible to apply.

Community residents may submit applications to recommend CDBG projects. While residents themselves cannot directly receive CDBG funding, they may suggest projects or services they would like to see in their community. For example, a resident may submit an application requesting CDBG funds for the construction of a new sidewalk. If the request is determined eligible, HCDS staff will forward it to the appropriate County department. That department may then choose to apply for CDBG funds to complete the project. CDBG funds may not be used for improvements or projects at a private residence.

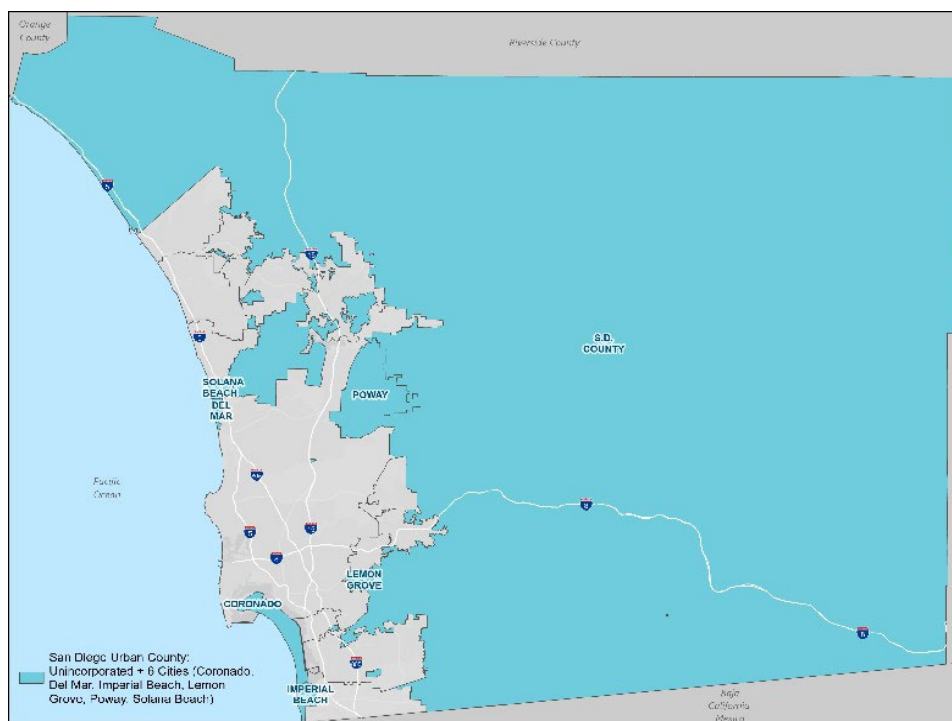
## ELIGIBLE POPULATIONS

CDBG primarily serves LMI individuals and households. At least 51% of project beneficiaries must have incomes at or below 80% of the Area Median Income (AMI). Income limits are published annually by HUD Income Limits | HUD USER.

80% of HUD Regional Family Median Income Limits for San Diego County								
Effective June 1, 2025								
Income Limits are Adjusted for Family Size								
Family Size	1	2	3	4	5	6	7	8
Income Limit	\$92,700	\$105,950	\$119,200	\$132,400	\$143,000	\$153,600	\$164,200	\$174,800

## ELIGIBLE LOCATIONS

The County's CDBG program serves the San Diego Urban County, which includes the County's unincorporated areas and the six participating cities: Coronado, Del Mar, Imperial Beach, Lemon Grove, Poway, and Solana Beach. All participating cities have their own application process. **This application process is intended for public facility improvement projects that serve the county's unincorporated areas. Public service and economic development activities may benefit the Urban County.** Eligible locations are reflected in blue, on the map below. Please note all other jurisdictions and larger cities in the region may administer their own CDBG program.



For a detailed map of the unincorporated County, please visit [SANDAG's Geographic Boundary Viewer](#).

## ELIGIBLE ACTIVITIES

CDBG eligible activities that may be funded under this application include:

- **Public Facilities and Improvements** – Construction, rehabilitation, or installation of public improvements or facilities. Public facilities include but are not limited to parks, sidewalks, senior centers, youth centers.
- **Public Services (Capped at 15% of the allocation)**– Labor, supplies, and material to operate public services and their facilities. Public services include, but are not limited to, employment and job development services, childcare, health services, fair housing counseling, senior services, homeless services, and youth enrichment services.
- **Economic Development** – Creation or retainment of permanent jobs for LMI populations, commercial/industrial improvements in LMI areas, or job training and technical assistance. These activities have significant documentation/reporting requirements and must meet the [federal public benefit standard](#).

**Applications for affordable housing development will not be accepted through this application process.**

Acquisition, rehabilitation, or reconstruction of affordable housing developments are accepted through a separate Notice of Funding Availability (NOFA) process. When available, these NOFAs are posted on the [HCDS announcements page](#) and on the County's BuyNet system. You may register for BuyNet notifications here: [registrants of the BuyNet system](#).

## INELIGIBLE ACTIVITIES

Activities **not eligible** for CDBG funding through this application include political or religious activities, general government activities, direct income payments to clients, new housing construction, maintenance, repairs, or equipment purchases.

## PROJECT REQUIREMENTS

### RECORDKEEPING

CDBG subrecipients must establish and maintain documentation for all administrative functions and financial transactions related to funded proposals. These items include, but are not limited to program guidelines, beneficiary data, original invoices, contracts, receipts, and bank statements.

CDBG subrecipients are expected to expend grant amounts within 12 months of contract execution. CDBG subrecipients must ensure that all CDBG funds are used for eligible, approved, and allowable activities. Allowable means expenditures are reasonable, allowable, and properly allocated, and must be consistent with the [2 CFR 200.402](#) regulations.

### MONITORING OF OUTCOMES

The County of San Diego is committed to continuously improving program outcomes by ensuring efficient and effective use of resources and by evaluating how funded projects benefit the broader community beyond their completion.

The County has identified three data elements that subrecipients will be required to report on during the lifetime of their contract:

- **Activities:** Refers to a specific task, action, or intervention to achieve a desired goal/outcome. (e.g. provide case management services to homeless residents)
- **Outputs:** The direct measurable results produced by the program activities (e.g. number of LMI participants served, 200 homeless residents received case management services, etc.)
- **Outcomes:** Impact and/or benefits for participants because of program activities and outputs. Outcomes should be specific, measurable, achievable, realistic, and time specific (SMART) (e.g. 80% of homeless residents receiving case management services found temporary or permanent housing within 6 months)

### ADDITIONAL REQUIREMENTS

Below are additional federal regulations that may be applicable to your CDBG project.

#### Environmental Review -

All projects awarded CDBG funds are subject to the National Environmental Policy Act (NEPA). This ensures federal agencies consider the environmental impacts when creating and operating projects. Depending on the nature of the project, it may also be subject to the California Environmental Quality Act (CEQA). An environmental review will need to be conducted by the County prior to the execution of a contract. A project may not begin until the final environmental review is complete and a Notice to Proceed is issued, regardless of whether the work would be accomplished with federal funds or other matching funds. Failure to comply will jeopardize the availability of HUD funds for the project.

**Audit** – Agencies receiving CDBG funds are required to submit an independent audit or an A133 single audit.

- Agencies expending less than \$1,000,000 of federal funds annually must submit an independent audit of their organization's financial statements. Any agency expending \$1,000,000 or more of federal funds must meet all federal single audit requirements as outlined in [2 CFR Part 200](#). A single audit includes a financial audit and an audit of compliance with federal regulations.

**Approaches to Procurement** – Depending on the scarcity of the item or service desired, and the size of the purchase, different methods of procurement are required for use by subrecipients under the Federal

regulations. CDBG subrecipients are expected to adhere to all federal regulations and requirements as outlined in [2 CFR Part 200.320](#).

**Build America, Buy America (BABA)** - The Build America, Buy America Act (BABA) requires that all iron and steel, construction materials, and manufactured products used in federally-funded infrastructure projects are produced in the United States. For more information see [BABA CDBG Quick Guide](#).

**Davis-Bacon Federal Labor Standards** – Any construction, rehabilitation, alteration, or repair project costing \$2,000 or more is subject to Davis-Bacon Labor Standards. This provision applies to all construction work. For more information, refer to the [U.S. Department of Labor's Wage and Hour Division](#).

**Section 3** – CDBG Construction and rehabilitation projects over \$200,000 [trigger Section 3 requirements](#). Section 3 requires economic opportunities be extended to low- and very low-income persons, particularly Public Housing or Section 8 residents.

**Change of Use Restrictions** – All public facilities improved with CDBG funds must be used for their approved purpose and meet the approved national objective until five years after expiration of the Subrecipient Agreement.

Additional information on CDBG project eligibility, program monitoring, reporting and requirements, may be found in HUD's [Playing by the Rules: A Handbook for CDBG Subrecipients](#).

## CDBG APPLICATION PROCESS

The CDBG program supports projects that primarily benefit low- to moderate-income communities. The County of San Diego distributes CDBG funds to eligible organizations and local governments through a competitive application process.

The applicant's project should be completed and funds fully expended, within 12 months of an executed contract.

## APPLICATION DEADLINE

CDBG Application Proposals and supporting documentation are due **Friday, October 31, 2025, by 3:00 PM**.

## TIMELINE

The FY 2026-2027 CDBG Application timeline is as follows:

September 2 – October 31, 2025	CDBG Application submission period. Applications received after 3:00pm, October 31, 2025, will not be accepted.
February 2026	Applicant tentative award notifications issued. Projects will either be recommended for funding, listed as an alternative should more funds become available, or determined ineligible/not ready to proceed.
March/April 2026	Recommended CDBG projects will be presented to the Board of Supervisors for approval.
July/August 2026	A mandatory sub-recipient training will be held for all organizations approved for CDBG funds.



## CDBG APPLICATION

CDBG applications and supportive documents are available online on the County's HCDS website and [BuyNet](#):

- [CDBG Application Process \(sandiegocounty.gov\)](#)
- [County of San Diego 26-27 CDBG Application](#)

## SECTION-BY-SECTION APPLICATION GUIDE

Complete all sections of the CDBG application. Incomplete applications will not be considered.

Section	Instructions/Who	Details & Tips
1. Application Type	Select one applicant category  All Applicants	<ul style="list-style-type: none"> <li>• <b>Non-Profit</b> - 501 (c)(3) organizations or institutions of higher education that serve the low-income community and intend to administer a program themselves.</li> <li>• <b>For Profit</b>- Organizations that serve the low-income community and intend to administer programs under eligible economic development activities.</li> <li>• <b>City, County or other Government Entity</b> - Public agencies, including water departments, fire districts, City or County departments, and CDBG Participating cities.</li> <li>• <b>Resident</b> - Private residents who have an idea in mind they believe is CDBG eligible.</li> </ul> <p>Please note: Resident applications will be referred to the appropriate County department for consideration. Residents do not directly receive CDBG funding.</p>
2. General Information	Answer Questions 1–14 Enter organization and project details  Non-Profit & For-Profit Organization & City, County or other Government Entity	<ul style="list-style-type: none"> <li>• Include applicant contact info,</li> <li>• SAM UEI &amp; expiration, federal funding status, and authorization date. Ensure your SAM registration is active and updated at <a href="#">Home   SAM.gov</a></li> <li>• Indicate if your program expends \$1,000,000 or more in federal funding annually? If so, your organization will need to undergo a Single Audit conducted in accordance with 2 CFR Part 200, Subpart F</li> <li>• Indicate date of Authorized Resolution Authorization Resolution Date that the Governing Board, City Council, etc. authorized the approval to apply and/or administer a CDBG project and the administration to execute this project. (Not required for County of San Diego Departments)</li> </ul>
3. Project Overview & Capacity	Answer Questions 15–24  All Applicants	<p>Question 15 &amp; 16:</p> <ul style="list-style-type: none"> <li>• Project Title &amp; Summary – Include project name and briefly describe project to include purpose, key activities, expected outcome, and who it will serve.</li> </ul> <p>Question 17:</p> <ul style="list-style-type: none"> <li>• Which CDBG <a href="#">National Objective</a> does your project meet?             <ul style="list-style-type: none"> <li>○ Benefit low/moderate-income persons</li> <li>○ Eliminate slum/blight</li> <li>○ Meet urgent needs</li> </ul> </li> </ul> <p>(For more information on the Objectives of the CDBG program refer to <a href="#">24 CFR 570.208</a> and section 101(c) of the Act (<a href="#">42 U.S.C. 5301(c)</a>)</p> <p>Question 18-20:</p> <ul style="list-style-type: none"> <li>• Type of Activity - Choose which CDBG best fits your project based on your goals.             <ul style="list-style-type: none"> <li>○ Public facilities/Improvements</li> <li>○ Public Service</li> <li>○ Economic Development</li> <li>○ Other, please specify:</li> </ul> </li> </ul> <p>(For more information on the CDBG program eligible activities refer to <a href="#">24 CFR 570.201</a>)</p>

		<ul style="list-style-type: none"> <li>Population Served - Identify demographic focus <a href="#">24 CFR 570.483(b)(1)(iii)(A)</a></li> <li>Location - Provide the physical address/location of the proposed project. Utilize the <a href="#">HUD LMI Tool</a> to determine if the project service area is located within a predominantly LMI census tract.</li> </ul> <p>Question 21-24: Budget</p> <ul style="list-style-type: none"> <li>Total project cost – List the total cost of the project, including all other funding sources that may be used.</li> <li>CDBG funds requested – Indicate the amount of funds that you are requesting from CDBG.</li> <li>Clearly identify how CDBG funds will be used. Provide a breakdown of all anticipated cost and funding sources associated with the project.</li> <li>Other Funding sources - include other leveraged funds (identify committed vs. pending funds).</li> </ul>
3. Organization Capacity	<p>Answer Questions 25–31</p> <p>Non-Profit &amp; For-Profit Organization &amp; City, County or other Government Entity</p>	<p>Question 25-26: Cash Flow</p> <ul style="list-style-type: none"> <li>CDBG is a reimbursement only program. Indicate if your organization has adequate funding to support the project.</li> <li>Non-Profit Only: To demonstrate your fiscal capacity, specify funding sources available.</li> </ul> <p>Questions 27:</p> <ul style="list-style-type: none"> <li>Use of CDBG Funds and Internal Controls - Confirm your organization can comply with the following regulations: <ul style="list-style-type: none"> <li><a href="#">24 CFR Part 570</a> (CDBG regulations) and</li> <li><a href="#">2 CFR Part 200</a> (Uniform Guidance)</li> </ul> </li> </ul> <p>Question 28: Davis-Bacon Experience</p> <ul style="list-style-type: none"> <li>Davis-Bacon prevailing wage requirements applies to construction projects over \$2,000. Indicate your experience monitoring Federal <a href="#">Davis-Bacon</a> and State prevailing wage requirements.</li> </ul> <p>Question 29-31 Compliance &amp; Timeliness</p> <ul style="list-style-type: none"> <li>Explain how your project will comply with HUD's real property regulations. <a href="#">24 CFR 570.505</a></li> <li>Provide an approximate expenditure schedule for your project. Follow the provided format in the application. Due to the nature of HUD and County reporting, expenditures are broken down quarterly over a 12-month period. Note that the expenditure schedule in your application will be used to build out your contract timeline and should demonstrate your ability to meet deadlines per <a href="#">24 CFR § 570.902</a>.</li> <li>Indicate whether any part of your project will be subcontracted. If so, to whom?</li> </ul>
4. Supplemental Information	<p>Answer Questions 32–33</p> <p>Non-Profit &amp; For-Profit Organization &amp; City, County or other Government Entity</p>	<p><b><u>For Public Facility/Improvement Projects Only</u></b></p> <ul style="list-style-type: none"> <li>Indicate your project progress and expected completion date. Include a description if this is a phased project.</li> <li>Provide status of environmental review if your project has gone through a review at a different phase.</li> </ul>
5. Attachments	<p>Upload all documents</p> <p>Non-Profit &amp; For-Profit Organization &amp; City, County or other Government Entity</p>	<p>You must label each attachment as follows: <b>Example- Attachment A: Organizational Background – Project Name</b></p> <ul style="list-style-type: none"> <li>Attachment A: Required by all applicants.</li> <li>Attachments B-H: Required by all, except residents.</li> <li>Attachments I-J: Required by non-governmental agencies.</li> </ul> <p>Be advised that any missing attachments may result in incomplete application.</p>

## TECHNICAL ASSISTANCE

The County is available to provide applicants with one-on-one technical support as requested. Please contact [Community.Development@sdcounty.ca.gov](mailto:Community.Development@sdcounty.ca.gov) to schedule one-on-one assistance. Additional resources listed below include our virtual CDBG information session and in-person workshop.

### Virtual Session:

Wednesday, September 10, 2025

11:00 am – 12:00 pm

[Link to Meeting](#)

### In-Person Technical Assistance Workshop:

Wednesday, October 8, 2025

10:30 am – 12:00 pm

County of San Diego Housing and Community Development Services (HCDS)

3989 Ruffin Road San Diego, CA 92123

## SUBMITTAL

The FY 2026-27 CDBG online application **does not allow applicants to save their progress**. To ensure readiness, please review a sample PDF version of the CDBG application to review the online questions and a list of the required supporting documents prior to completing the online application. All supporting documents must be uploaded directly to the application. Applications are considered incomplete without all documentation.