



COMMUNITY DEVELOPMENT BLOCK GRANT FUNDS APPLICATION FOR PROGRAM YEAR 2026

Application must be received by the Dakota County Community Development Agency
NO LATER THAN FRIDAY, JANUARY 16, 2026
For July 1, 2026 – June 30, 2027

General Information

Applicant Name: The City of Northfield	UEI #: 07648456
Contact Name: Melissa Hanson	
Applicant Address: 801 Washington Street	
City, State, Zip: Northfield, MN 55057	
Phone: 507-301-5068	Email: Melissa.Hanson@NorthfieldMN.gov

Proposed Activities

Activity	Requested Funding Amount
#1 Title: Land Development Code Update	CDBG Request: \$ 5,250
#2 Title: Down Payment Assistance	CDBG Request: \$ 47,266
#3 Title: Click or tap here to enter text.	CDBG Request: \$ Click or tap here to enter text.
#4 Title: Click or tap here to enter text.	CDBG Request: \$ Click or tap here to enter text.
#5 Title: Click or tap here to enter text.	CDBG Request: \$ Click or tap here to enter text.
	Total Request: \$ Click or tap here to enter text.

Contingency Funding Request:

Note the funding levels for activities if there is an increase or decrease in federal funding levels. Specify which activities should be fully funded at the requested level and which should be increased or decreased. Click or tap here to enter text.

PLEASE NOTE: AT LEAST 50% of the proposed funding must qualify as a LOW/MOD benefit. NO MORE THAN 35% of the any one community's proposed funding can be for PUBLIC SERVICES. Because public services may not account for more than 15% of the County's total funding, public service requests may be decreased once all applications are submitted and reviewed by CDA staff. NO MORE than 10% of any one community's funding can be used for PLANNING.

Certification

I certify that the information contained in this application is true and correct and that it contains no misrepresentations, falsifications, intentional omissions, or concealment of material facts. I further certify that no contracts have been awarded, funds committed, or construction begun on the proposed project(s), and that none will be made prior to notification from the Dakota County CDA based on HUD's issuance of a Release of Funds Notice.

Signature of Authorized Official

Date

Title of Authorized Official

**PLEASE ATTACH THE RESOLUTION OF THE GOVERNING BODY SHOWING APPROVAL
OF THE REQUEST FOR CDBG FUNDS.**

I. Activity Title

Please complete the following Sections I-V for EACH proposed activity. (For example, if 3 activities are being proposed, there will be 3 sets of the following pages.)

Activity # 1

Activity Title: Land Development Code Update

II. Activity Information

Describe the proposed activity in detail. Please be specific about purpose, location, number of people or households served, etc.

The City of Northfield last updated its Land Development Code (LDC) – the city’s Zoning Code - in 2011. That update was a partial update and did not adequately address all needed changes. Many of the identified changes yet to be implemented are directly associated with providing quality housing and effective and efficient implementation of the city’s comprehensive plan and related housing and economic development activities. A primary concern with the existing LDC is associated with restrictions on buildable lots and/or number of units able to be constructed per lot of record. In an effort to improve homebuilders’ ability to provide sufficient housing in Northfield changes to the code can and should be effected in order for more homes to be built. This includes both ownership and rental options. Providing room for sufficient supply of homes, regardless of ownership model, is important to the general growth of the Northfield community particularly to capture latent demand for homes within the city limits and the school district boundary. The land development code update would cover the entire city limits to make it easier and more efficient to build homes. Primarily a change to the residential zoning code section of the city’s code of ordinance would address the ability to build more homes on infill lots already served by municipal sewer and water.

Has this Activity received CDBG funding before?

☒ Yes

☐ No

Check the eligible activity category of the proposed activity: *(See attached definitions)*

Affordable Rental Housing <input type="checkbox"/> Rehabilitation of Multi-Unit Residential <input type="checkbox"/> Fair Housing Activities <input type="checkbox"/> Energy Efficiency Improvements	Public Services <input type="checkbox"/> Senior Services <input type="checkbox"/> Youth Services <input type="checkbox"/> Transportation Services <input type="checkbox"/> Operational Support
Affordable Homeowner Housing <input type="checkbox"/> Homeownership Assistance <input type="checkbox"/> New (Re)Construction Homeowner Housing <input type="checkbox"/> Rehabilitation/ Energy Efficiency Improvement of Single Unit Residential <input type="checkbox"/> Fair Housing Activities	Public Facilities <input type="checkbox"/> Recreational Parks <input type="checkbox"/> Public Water/Sewer Improvements <input type="checkbox"/> Street Improvements <input type="checkbox"/> Sidewalks <input type="checkbox"/> Assessment Abatement <input type="checkbox"/> ADA Improvements
Homelessness <input type="checkbox"/> Coordinated Access to Services & Shelter <input type="checkbox"/> Housing Stabilization <input type="checkbox"/> Emergency Shelter Operation	Neighborhood Revitalization <input type="checkbox"/> Acquisition of Real Property <input type="checkbox"/> Clearance and Demolition <input type="checkbox"/> Clean-up of Contaminated Site
Economic Development <input type="checkbox"/> Employment Training <input type="checkbox"/> Economic Development Assistance <input type="checkbox"/> Rehabilitation of Commercial/Industrial Buildings <input type="checkbox"/> Micro-Enterprise Assistance <input type="checkbox"/> Relocation	Planning and Administration <input checked="" type="checkbox"/> Planning <input type="checkbox"/> Administration

Describe the activity schedule:

Is this a continuation of a previously funded activity? ☒ Yes ☐ No

Is this a time-specific project? ☒ Yes ☐ No

If this is a time-specific project, please note the start and end dates below:

Proposed Activity Start Date: January 2026

Proposed Activity Completion Date: March 2027

III. CDBG National Objective

CDBG funded projects/activities must meet one of the following program objectives. Check the objective for which the CDBG funds will be used.

- | | |
|--|--|
| <input type="checkbox"/> Low/Mod Area Benefit | <input type="checkbox"/> Low/Mod Limited Clientele Benefit |
| <input type="checkbox"/> Low/Mod Housing Benefit | <input type="checkbox"/> Low/Mod Jobs Benefit |
| <input type="checkbox"/> Slum/Blight Area Benefit | <input type="checkbox"/> Slum/Blight Spot Benefit |
| <input type="checkbox"/> Urgent Need (extremely rare; used only for emergencies): <i>(Please explain)</i> Click or tap here to enter text. | |

If you checked the Low/Mod Area Benefit box, please answer the following:

In what Census Tract/Block Group(s) do beneficiaries of your Activity live? *(Please include map)*
[Click or tap here to enter text.](#)

How many residents live in this area? [Click or tap here to enter text.](#)

What is the percentage of low and moderate-income beneficiaries? [Click or tap here to enter text.](#)%

How was this documented? ☐ HUD Data ☐ Survey
(Please include a copy of survey)

If you checked the Low/Mod Housing Benefit box, please answer the following:

How many Low/Mod Households will benefit? [Click or tap here to enter text.](#) Households
(Income eligibility must be verified by written documentation)

Where will this activity occur? *(Address of property, neighborhood, or citywide)*
[Click or tap here to enter text.](#)

If you checked the Low/Mod Limited Clientele Benefit box, please answer the following:

How many Low/Mod People or Households will benefit? [Click or tap here to enter text.](#) People [Click or tap here to enter text.](#) Households (Please choose either People or Households for each project).

How will income be verified?

- ☐ Income Verification Request Forms
- ☐ Eligibility Status for other Governmental Assistance program
- ☐ Self Certification (Must request source documentation of 20% of certifications and must inform beneficiary that all sources of income and assets must be included when calculating annual income)
- ☐ Presumed benefit (HUD presumes the following to be low and moderate-income: abused children, battered spouses, elderly persons (62+), severely disabled persons, homeless persons, persons living with AIDS, migrant farm workers)

If you checked the Low/Mod Jobs Benefit box, please answer the following:

To meet the requirements of the "Jobs" National Objective, the business being assisted must enter into an agreement showing commitment that at least 51% of jobs created or retained will be available to low/mod income persons. The business must also be prepared to provide a list of all jobs, detailed information about the jobs being created or retained, the selection and hiring process, and demographic information about the employees.

Will this activity create or retain full time equivalencies (FTEs)? ☐ Create ☐ Retain
For job(s) that are being retained, please provide evidence that the assisted business has issued a notice to affected employees or that the business has made a public announcement to that effect, OR an analysis of relevant financial records that shows the business is likely to cut back on employment in the near future without planned intervention.

Will the job(s) created or retained require a special skill? ☐ Yes ☐ No

What percent of permanent FTEs will be held by or available to low/mod income persons? [Click or tap here to enter text.](#) %

If you checked the Slum/Blight Area or Slum/Blight Spot Benefit box, please answer the following:

What are the boundaries of the slum/blight area or the address of the slum/blight spot? [Click or tap here to enter text.](#)

(Please provide letter from building inspector or other documentation noting deficiencies and include photos)

What deficiency will be corrected or the public improvement be? [Click or tap here to enter text.](#)

If Slum/Blight Area, what percent of buildings are deteriorated? [Click or tap here to enter text.](#)%

IV. Proposed Objectives and Outcomes

Indicate the proposed objective and outcome of the activity/project.

	Outcome #1 Availability/Accessibility	Outcome #2 Affordability	Outcome #3 Sustainability
Objective #1 Suitable Living Environment	<input checked="" type="checkbox"/> Accessibility for the purpose of creating a suitable living environment	<input checked="" type="checkbox"/> Affordability for the purpose of creating a suitable living environment	<input checked="" type="checkbox"/> Sustainability for the purpose of creating a suitable living environment
Objective #2 Decent Housing	<input type="checkbox"/> Accessibility for the purpose of providing decent housing	<input type="checkbox"/> Affordability for the purpose of providing decent housing	<input type="checkbox"/> Sustainability for the purpose of providing decent housing
Objective #3 Economic Opportunity	<input checked="" type="checkbox"/> Accessibility for the purpose of creating economic opportunities	<input checked="" type="checkbox"/> Affordability for the purpose of creating economic opportunities	<input checked="" type="checkbox"/> Sustainability for the purpose of creating economic opportunities

Indicate how the activity outcome will be measured and projected number of beneficiaries.

- ☒ People 20,000+
☐ Public Facilities _____
 ☐ Businesses _____
- ☐ Households _____
 ☐ Jobs _____
 ☐ Organizations _____
- ☐ Housing Units _____

V. Project Budget

Provide the total project cost and CDBG request.

Total Project Cost: \$ 200,000

Total CDBG Request: \$ 5,250

CDBG Percent of Total Cost: 2.6%

Describe all funding sources.

Source of Funds	Amount	Committed	Pending
FY 2025 (\$6666) & 2026 (\$5250)	\$ 11,916	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
HRA & EDA Levy/Reserves	\$ 122,084	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Community Development General Fund	\$ 66,000	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Total:	\$ 200,000	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Please itemize project expenses, using the following guidance as applicable:

- Acquisition & Improvement Costs - Include purchase price, closing costs, site improvements, clearance of toxic contaminants, and other acquisition and improvement costs
- Construction/Rehabilitation Costs - Include site improvements, construction (labor, materials, supplies), installation, permits and other construction/rehabilitation costs
- Professional Fees and Personnel Costs - Include architectural, engineering and code inspection fees, surveys, appraisals, legal fees, hazardous materials surveys, project management, and other professional/personnel fees
- Other Development Costs - Include relocation, financing costs, environmental reviews, environmental studies, and other development costs
- Eligible Costs for Planning Projects - Include professional services, project management costs, and other planning costs

Itemized Use of Funds/Expenses	Costs	CDBG Funds Requested	Other Funding Sources
Professional Services	\$ 200,000	\$ 5,250	\$ 194,750
Click or tap here to enter text.	\$ Click or tap here to enter text.	\$ Click or tap here to enter text.	\$ Click or tap here to enter text.
Click or tap here to enter text.	\$ Click or tap here to enter text.	\$ Click or tap here to enter text.	\$ Click or tap here to enter text.
Click or tap here to enter text.	\$ Click or tap here to enter text.	\$ Click or tap here to enter text.	\$ Click or tap here to enter text.
Click or tap here to enter text.	\$ Click or tap here to enter text.	\$ Click or tap here to enter text.	\$ Click or tap here to enter text.
Total:	\$Click or tap here to enter text.	\$ Click or tap here to enter text.	\$ Click or tap here to enter text.

* * * * *

***Please review each section for completeness.
Each activity should have separate Sections I through V.***

I. Activity Title

Please complete the following Sections I-V for EACH proposed activity. (For example, if 3 activities are being proposed, there will be 3 sets of the following pages.)

Activity # 2

Activity Title: Down Payment Assistance

II. Activity Information

Describe the proposed activity in detail. Please be specific about purpose, location, number of people or households served, etc.

The City of Northfield Down Payment Assistance Program has been funded through Community Development Block Grant funds since 1996. The objective of the program is to help eligible households purchase affordable single-family homes in Northfield.

Financial assistance, in the form of a 0% interest deferred loan of up to \$25,000 for down payment assistance and/or 100% of eligible closing costs incurred by low- and moderate-income homebuyers. Since the inception of the program, more than 82 low- and moderate-income families have received assistance of over \$710,000 in loans and more than \$130,000 in loans that have been recycled to new homebuyers.

The Northfield HRA is requesting approximately 90% of Program Year 2026 funds to continue funding this program. Increased interest rates have helped bring home prices down, however, costs still remain high. According to the St. Paul Area Association of Realtors (SPAAR), the average sale price of a Northfield single family home, townhome or condo for October 2025 is \$399,666. The HRA plans to help bridge the gap between the current costs of housing and affordable housing by better utilizing the down payment assistance program.

Has this Activity received CDBG funding before?

☒ Yes

☐ No

Check the eligible activity category of the proposed activity: *(See attached definitions)*

Affordable Rental Housing <input type="checkbox"/> Rehabilitation of Multi-Unit Residential <input type="checkbox"/> Fair Housing Activities <input type="checkbox"/> Energy Efficiency Improvements	Public Services <input type="checkbox"/> Senior Services <input type="checkbox"/> Youth Services <input type="checkbox"/> Transportation Services <input type="checkbox"/> Operational Support
Affordable Homeowner Housing <input checked="" type="checkbox"/> Homeownership Assistance <input type="checkbox"/> New (Re)Construction Homeowner Housing <input type="checkbox"/> Rehabilitation/ Energy Efficiency Improvement of Single Unit Residential <input type="checkbox"/> Fair Housing Activities	Public Facilities <input type="checkbox"/> Recreational Parks <input type="checkbox"/> Public Water/Sewer Improvements <input type="checkbox"/> Street Improvements <input type="checkbox"/> Sidewalks <input type="checkbox"/> Assessment Abatement <input type="checkbox"/> ADA Improvements
Homelessness <input type="checkbox"/> Coordinated Access to Services & Shelter <input type="checkbox"/> Housing Stabilization <input type="checkbox"/> Emergency Shelter Operation	Neighborhood Revitalization <input type="checkbox"/> Acquisition of Real Property <input type="checkbox"/> Clearance and Demolition <input type="checkbox"/> Clean-up of Contaminated Site
Economic Development <input type="checkbox"/> Employment Training <input type="checkbox"/> Economic Development Assistance <input type="checkbox"/> Rehabilitation of Commercial/Industrial Buildings <input type="checkbox"/> Micro-Enterprise Assistance <input type="checkbox"/> Relocation	Planning and Administration <input type="checkbox"/> Planning <input type="checkbox"/> Administration

Describe the activity schedule:

Is this a continuation of a previously funded activity? ☒ Yes ☐ No

Is this a time-specific project? ☐ Yes ☒ No

If this is a time-specific project, please note the start and end dates below:

Proposed Activity Start Date: [Click or tap here to enter text.](#)

Proposed Activity Completion Date: [Click or tap here to enter text.](#)

III. CDBG National Objective

CDBG funded projects/activities must meet one of the following program objectives. Check the objective for which the CDBG funds will be used.

- | | |
|--|--|
| <input type="checkbox"/> Low/Mod Area Benefit | <input type="checkbox"/> Low/Mod Limited Clientele Benefit |
| <input checked="" type="checkbox"/> Low/Mod Housing Benefit | <input type="checkbox"/> Low/Mod Jobs Benefit |
| <input type="checkbox"/> Slum/Blight Area Benefit | <input type="checkbox"/> Slum/Blight Spot Benefit |
| <input type="checkbox"/> Urgent Need (extremely rare; used only for emergencies): <i>(Please explain)</i> Click or tap here to enter text. | |

If you checked the Low/Mod Area Benefit box, please answer the following:

In what Census Tract/Block Group(s) do beneficiaries of your Activity live? *(Please include map)*
[Click or tap here to enter text.](#)

How many residents live in this area? [Click or tap here to enter text.](#)

What is the percentage of low and moderate-income beneficiaries? [Click or tap here to enter text.](#)%

How was this documented? ☐ HUD Data ☐ Survey
(Please include a copy of survey)

If you checked the Low/Mod Housing Benefit box, please answer the following:

How many Low/Mod Households will benefit? 2-3 Households
(Income eligibility must be verified by written documentation)

Where will this activity occur? *(Address of property, neighborhood, or citywide)*
citywide

If you checked the Low/Mod Limited Clientele Benefit box, please answer the following:

How many Low/Mod People or Households will benefit? [Click or tap here to enter text.](#) People [Click or tap here to enter text.](#) Households *(Please choose either People or Households for each project).*

How will income be verified?

- ☐ Income Verification Request Forms
- ☐ Eligibility Status for other Governmental Assistance program
- ☐ Self Certification *(Must request source documentation of 20% of certifications and must inform beneficiary that all sources of income and assets must be included when calculating annual income)*
- ☐ Presumed benefit *(HUD presumes the following to be low and moderate-income: abused children, battered spouses, elderly persons (62+), severely disabled persons, homeless persons, persons living with AIDS, migrant farm workers)*

If you checked the Low/Mod Jobs Benefit box, please answer the following:

To meet the requirements of the "Jobs" National Objective, the business being assisted must enter into an agreement showing commitment that at least 51% of jobs created or retained will be available to low/mod income persons. The business must also be prepared to provide a list of all jobs, detailed information about the jobs being created or retained, the selection and hiring process, and demographic information about the employees.

Will this activity create or retain full time equivalencies (FTEs)? ☐ Create ☐ Retain
For job(s) that are being retained, please provide evidence that the assisted business has issued a notice to affected employees or that the business has made a public announcement to that effect, OR an analysis of relevant financial records that shows the business is likely to cut back on employment in the near future without planned intervention.

Will the job(s) created or retained require a special skill? ☐ Yes ☐ No

What percent of permanent FTEs will be held by or available to low/mod income persons? [Click or tap here to enter text.](#) %

If you checked the Slum/Blight Area or Slum/Blight Spot Benefit box, please answer the following:

What are the boundaries of the slum/blight area or the address of the slum/blight spot? [Click or tap here to enter text.](#)

(Please provide letter from building inspector or other documentation noting deficiencies and include photos)

What deficiency will be corrected or the public improvement be? [Click or tap here to enter text.](#)

If Slum/Blight Area, what percent of buildings are deteriorated? [Click or tap here to enter text.](#)%

IV. Proposed Objectives and Outcomes

Indicate the proposed objective and outcome of the activity/project.

	Outcome #1 Availability/Accessibility	Outcome #2 Affordability	Outcome #3 Sustainability
Objective #1 Suitable Living Environment	<input type="checkbox"/> Accessibility for the purpose of creating a suitable living environment	<input type="checkbox"/> Affordability for the purpose of creating a suitable living environment	<input type="checkbox"/> Sustainability for the purpose of creating a suitable living environment
Objective #2 Decent Housing	<input type="checkbox"/> Accessibility for the purpose of providing decent housing	<input checked="" type="checkbox"/> Affordability for the purpose of providing decent housing	<input type="checkbox"/> Sustainability for the purpose of providing decent housing
Objective #3 Economic Opportunity	<input type="checkbox"/> Accessibility for the purpose of creating economic opportunities	<input type="checkbox"/> Affordability for the purpose of creating economic opportunities	<input type="checkbox"/> Sustainability for the purpose of creating economic opportunities

Indicate how the activity outcome will be measured and projected number of beneficiaries.

- ☐ People _____
- ☒ Households 2-3
- ☒ Housing Units 2-3
- ☐ Public Facilities _____
- ☐ Jobs _____
- ☐ Businesses _____
- ☐ Organizations _____

V. Project Budget

Provide the total project cost and CDBG request.

Total Project Cost: \$ up to \$50,000

Total CDBG Request: \$ 47,266

CDBG Percent of Total Cost: 95%

Describe all funding sources.

Source of Funds	Amount	Committed	Pending
CDBG	\$ 47,266	<input type="checkbox"/>	<input checked="" type="checkbox"/>
HRA Levy	\$ 4,734	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Click or tap here to enter text.	\$ Click or tap here to enter text.	<input type="checkbox"/>	<input type="checkbox"/>
Total:	\$ 52,000	<input type="checkbox"/>	<input type="checkbox"/>

Please itemize project expenses, using the following guidance as applicable:

- Acquisition & Improvement Costs - Include purchase price, closing costs, site improvements, clearance of toxic contaminants, and other acquisition and improvement costs
- Construction/Rehabilitation Costs - Include site improvements, construction (labor, materials, supplies), installation, permits and other construction/rehabilitation costs
- Professional Fees and Personnel Costs - Include architectural, engineering and code inspection fees, surveys, appraisals, legal fees, hazardous materials surveys, project management, and other professional/personnel fees
- Other Development Costs - Include relocation, financing costs, environmental reviews, environmental studies, and other development costs
- Eligible Costs for Planning Projects - Include professional services, project management costs, and other planning costs

Itemized Use of Funds/Expenses	Costs	CDBG Funds Requested	Other Funding Sources
Down Payment/Closing Costs	\$50,000	\$ 47,266	\$ Click or tap here to enter text.
Legal Fees	\$ 2,000	\$ Click or tap here to enter text.	\$ 2,000
Click or tap here to enter text.	\$ Click or tap here to enter text.	\$ Click or tap here to enter text.	\$ Click or tap here to enter text.
Click or tap here to enter text.	\$ Click or tap here to enter text.	\$ Click or tap here to enter text.	\$ Click or tap here to enter text.
Click or tap here to enter text.	\$ Click or tap here to enter text.	\$ Click or tap here to enter text.	\$ Click or tap here to enter text.
Total:	\$52,000	\$ 47,266	\$ 4,734

* * * * *

***Please review each section for completeness.
Each activity should have separate Sections I through V.***

COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) ELIGIBLE ACTIVITIES

Please Note: *Although an activity may be deemed eligible for CDBG funding, it does not guarantee funding. The Community Development Needs for the CDBG Program in the Consolidated Plan lists the priority of needs and dictates which types of eligible activities may be funded in a given year. All activities must meet a National Objective.*

CDBG funds may NOT be used for costs attributable to a building used for the general conduct of government, general government expenses, or political activities.

Acquisition/Disposition: Includes acquisition of real property, in whole or in part, by purchase, long-term lease, donation, or otherwise for any public purpose. Real property to be acquired may include land, air rights, easements, water rights, rights-of-way, buildings and other property improvements, or other interests in real property.

Demolition/Clearance: Includes clearance, demolition, and removal of buildings and improvements including movement of structures to other sites.

Economic Development Activities: Includes but are not limited to: (1) construction by the grantee or subrecipient of a business incubator designed to provide inexpensive space and assistance to new firms to help them become viable businesses, (2) loans to pay for the expansion of a factory or commercial business, and (3) training for by persons on welfare to enable them to qualify for jobs created by CDBG-assisted special economic development activities. The level of public benefit to be derived from the economic development activity must be appropriate given the amount of CDBG assistance.

Homeownership Assistance: Includes financial assistance for down payments, closing costs or other part of the purchase process and counseling for pre-purchase, post-purchase or foreclosure prevention.

Rehabilitation: Includes single-family rehabilitation, multi-family rehabilitation, energy efficiency improvements, public housing modernization, and rehabilitation of commercial properties.

Relocation: Includes relocation payments and assistance to displaced persons, including individuals, families, businesses, non-profits, and farms, where required under section 570.606 of the regulations (pursuant to the Uniform Relocation Act).

Public Facilities/Improvements: CDBG funds may be used by the subrecipient or other public or private nonprofit entities for the acquisition (including long term leases for periods of 15 years or more), construction, reconstruction, rehabilitation (including removal of architectural barriers to accessibility), or installation, of public improvements or facilities. This includes neighborhood facilities, firehouses, public schools, libraries, and shelters for homeless people, as well as water and/or sewer treatment plants. Buildings for the general conduct of government cannot be acquired or improved with CDBG funds.

Public Services: CDBG funds may be used to provide public services (including labor, supplies, and materials), provided that each of the following criteria is met: 1) The public service must be either a new service or a quantifiable increase in the level of service; and 2) The amount of CDBG funds obligated within a program year to support public service activities may not exceed 35% of a city's allocation and the total public services of all subrecipients may not exceed 15% of the total grant awarded to Dakota County for that year.

Planning: Includes studies, analysis, data gathering, preparation of plans, and identification of actions that will implement plans. The types of plans which may be paid for with CDBG funds include but are not limited to comprehensive plans, individual project plans, community development plans, capital improvement programs, small area and neighborhood plans, environmental and historic preservation studies, and functional plans (such as plans for housing, land use, energy conservation, or economic development). Except for small cities and townships, the amount of CDBG funds obligated within a program year to support planning activities may not exceed 15% of a community's allocation.

General Grant Administration: CDBG funds may be used for general administration costs incurred by a subrecipient to administer its CDBG program. CDBG grant funds obligated to general grant administration may not exceed 10% of the community's allocation. Administration costs directly associated with a CDBG activity should be part of the activity as project

administration and are not considered general grant administration expenses. Please talk to the Dakota County CDA before you allocate funds to grant admin.

Planning and General Grant Administration Activities may not exceed 20% of the total grant awarded to Dakota County for that year.