

Using CDBG Funds to Assist the Haitian-American Community Development Program

March 21, 1991

Honorable William Lehman
House of Representatives
Washington, DC 20515

Dear Mr. Lehman:

Thank you for your letter dated February 27, 1991, regarding potential funding sources through the Department of Housing and Urban Development (HUD) for a Haitian-American Community Development Program in North Miami. The inquiry is on behalf of the City of North Miami. The City proposes to establish an Office of Haitian-American Affairs, with the primary purpose of providing various services to assist the Haitian-American community to assimilate into the larger community.

Under the CDBG program, HUD provides annual grants on a formula basis to entitlement communities, including urban counties, to carry out a wide range of community development activities involving neighborhood development, economic development, and the provision of public facilities and services. The City of North Miami is a participating jurisdiction under the Dade County urban county consortium. The urban county is the recipient of CDBG funds and it is free to choose the activities it will carry out based on its perception of local needs and priorities. However, HUD requires that each activity be eligible and meet one of the national objectives specified in the CDBG legislation. The objectives are to benefit low- and moderate-income persons, to aid in the elimination or prevention of slum and blight, and to meet other community development needs of a particular urgency.

The City's proposal may be eligible under the CDBG program as a public service activity. However, if the program is restricted to Haitian-American persons exclusively, it would not be eligible, since it appears to violate Section 109 of the Housing and Community Development Act of 1974. Before this program could be considered, it would need to be restructured to assure that the activities are intended to benefit low- and moderate-income persons regardless of their national origin. This includes changing the name of the program and assuring that any publicity reflects the availability of benefits to persons regardless of their national origin.

Since the law gives local governments (in this case Dade County) the flexibility to decide which activities will be undertaken providing they meet a national objective, the City of North Miami may wish to contact the administrator of the CDBG program in Dade County to discuss the possibility of structuring the program as a public service activity that would meet the eligibility requirements of the CDBG program. The contact person in Dade County is:

CDBG Memorandum

Dr. Ernest Martin
Director of Community and Economic Development, Dade County
140 West Flagler Street
10th Floor
Miami, Florida 33130
Telephone: 305-375-3431

Enclosed is a fact sheet on the CDBG program. I hope this information is helpful to you in responding to the City.

Very sincerely yours,

Ivan A. Ransopher
Assistant Secretary (Acting)

Enclosure

cc:

LCR:10148 AX:10139

CGBE:Thompson 7280 CGBE:Buell 7280 CGBE:Broughman 7280 CGBE:Chron 7280

CGBE:U/C File(1505) 7280 CGB:Patch 7286

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bcc: Dr. Ernest Martin, Dade County