



## Federal Community Development Grants

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Dear Reader:

The following document was created from the MTAS website ([mtas.tennessee.edu](http://www.mtas.tennessee.edu)). This website is maintained daily by MTAS staff and seeks to represent the most current information regarding issues relative to Tennessee municipal government.

We hope this information will be useful to you; reference to it will assist you with many of the questions that will arise in your tenure with municipal government. However, the *Tennessee Code Annotated* and other relevant laws or regulations should always be consulted before any action is taken based upon the contents of this document.

Please feel free to contact us if you have questions or comments regarding this information or any other MTAS website material.

Sincerely,

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## Federal Community Development Grants

**Reference Number:** MTAS-1873

**Revenue Class:** Intergovernmental Revenue

**Fund:** General

**Account No.:** 33110

**Description:** Authorized by the Housing and Community Development Act of 1974 (42 USC 5301) replacing several community development categorical grant programs, Community Development Block Grants (CDBG) provide eligible metropolitan cities and urban counties (called “entitlement communities”) with annual direct grants that they can use to “revitalize neighborhoods, expand affordable housing and economic opportunities, and/or improve community facilities and services, principally to benefit low- and moderate-income persons.”

**Authorization:** T.C.A. § 6-54-124 and 42 USC 5301 *et seq.*

**Requirements or Restrictions:** T.C.A. § 6-54-124 requires municipalities that receive community development block grants and municipalities or industrial development corporations that are a party to an in-lieu-of property tax agreement to make a report addressing the expenditures of such funds. In addition, the municipality must place a copy of such report in the main branch of the municipality’s public library or place the report on the Internet.

**Current Rate:** N/A

**Frequency of Payment:** N/A

**Late Pay Penalty:** N/A

**Exemptions:** N/A

**Collection:** N/A

**Use Restrictions:** N/A

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*DISCLAIMER: The letters and publications written by the MTAS consultants were written based upon the law at the time and/or a specific sets of facts. The laws referenced in the letters and publications may have changed and/or the technical advice provided may not be applicable to your city or circumstances. Always consult with your city attorney or an MTAS consultant before taking any action based on information contained in this website.*

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