

Addressing Slums or Blight on a Spot Basis

Criteria

The elimination of specific conditions of blight or deterioration on a spot basis is designed to comply with the statutory objective for CDBG funds to be used for the prevention of blight, on the premise that such action(s) serves to prevent the spread to adjacent properties or areas.

To comply with the national objective of elimination or prevention of slums or blight on a spot basis, i.e., outside a slum or blighted area, an activity must meet the following criteria:

- ❖ The activity must be designed to eliminate specific conditions of blight or physical decay not located in a designated slum or blighted area; and
- ❖ The activity must be limited to one of the following:
 - ♦ Acquisition (but see the discussion about this category under the section entitled Documenting Compliance later in this chapter);
 - ♦ Clearance;
 - ♦ Relocation;
 - ♦ Historic Preservation; or
 - ♦ Rehabilitation of buildings, but only to the extent necessary to eliminate specific conditions detrimental to public health and safety.

Reference: §570.208(b)(2)

Example

- ❖ Elimination of faulty wiring, falling plaster, or other similar conditions from a residential building which are detrimental to all potential occupants;
- ❖ Historic preservation of a blighted public facility; and
- ❖ Demolition of a vacant, deteriorated, abandoned building.

Records to be Maintained

The grantee's records must include:

- ❖ A description of the specific condition of blight or physical decay treated; and
- ❖ A description of the assisted activity showing that it falls under one of the activity types that are eligible to be carried out under this subcategory. For rehabilitation of a building carried out under this category, a description for each assisted structure showing the specific conditions that posed a threat to public health and safety, and details of the scope of CDBG-assisted rehabilitation, indicating that it was limited to addressing a specific condition that posed such a threat.

Reference: §570.506(b)(10)

Tips

To be considered to be detrimental to public health and safety, a condition must pose a threat to the *public in general*. A specific condition of a housing unit may be treated under this subcategory only if it poses a threat to any occupant. Thus if a housing unit is occupied by a disabled person and a specific condition of the housing unit poses a threat to the health and safety only for the disabled occupant, it would not qualify (i.e., it would have to pose a threat to nondisabled occupants as well).

Housing that will be occupied by a L/M income household following rehabilitation should qualify under the L/M Income Housing criteria and should not be treated under this subcategory even though it might otherwise meet the tests to do so. This is because the grantee has an obligation to use a minimum of 70% of its funds for activities qualifying under the L/M Income Benefit national objective. (See Chapter 4 for further information on this requirement.)

Public improvements cannot qualify under this standard except for rehabilitation of public buildings (other than buildings for the general conduct of government) and historic preservation of public property that is blighted.

As a general rule, national objective compliance for the acquisition of real property must be based on the use of the property after the acquisition takes place. The initial determination is based on the *planned* use of the property, but the final determination is to be based on the *actual* use. However, when property is acquired for the purpose of clearance to remove specific conditions of blight or physical decay, the clearance is considered to be the actual use of the property, but any subsequent use made of the property following clearance must be considered to be a "change of use" under §570.505. (See §570.208(d)(1)).