



July Funding Tip

The Finance Project is pleased to announce the next installment in a series of [monthly funding tips](#) for youth programs. These tips cover different financing strategies to help programs finance and sustain their work.

Tip: Use CDBG to Fund Youth Facilities

Community Development Block Grant (CDBG) funding is one of the few federal funding sources that youth programs and initiatives can use to fund the construction or improvement of facilities. Although neither the statute nor the regulations define “public facilities” or “public improvements,” HUD broadly interprets these terms to include all improvements and facilities that are publicly owned or owned by a nonprofit organization and are open to the general public during regular business hours. Because of CDBG’s flexibility, youth programs can use the funds to purchase, construct, rehabilitate, install, and reconstruct facilities owned and operated by schools, other public agencies, or private nonprofits (e.g., youth shelters, charter schools, or recreation centers). Funding can be in the form of direct grants or loans. Federal regulations do not restrict the amount of CDBG funding that can be used for facility-related projects.

Example from the Field: Expanding a Youth Shelter

Urban Peak serves as a provider of and gateway to a wide array of services and programs to help youth and young adults ages 14 to 24 escape life on the streets and help them overcome real-life challenges that can put them at risk of becoming homeless. Over the years, Urban Peak has continued to expand in response to the growing numbers and diverse needs of youth and young adults to help them achieve self-reliance and success in their lives. In 2006, Urban Peak served 800 youth and young adults, providing them with shelter, housing, education, arts programs, mental health services, and other services required to achieve self-reliance. As the only licensed homeless youth shelter in the Denver metropolitan area, Urban Peak provides shelter to youth and young adults and works with them to develop a plan to help them permanently exit street life by reunifying them with their family, arranging for a foster care placement, or supporting their living independently.

Urban Peak recently received \$200,000 in CDBG funding from Denver’s Office of Economic Development, Housing and Neighborhood Development to expand its shelter. The shelter is 10 years old and needs to be expanded to provide more suitable living and office space for clients and staff. This expansion will add 1,150 square feet of habitable space and an additional 500 feet of covered outdoor space. These new additions will also provide room to have group meetings, handle dormitory overflow, and provide recreational and educational programs. For more information, visit www.urbanpeak.org/.

For more information on this financing strategy and the various strategies for using CDBG to support youth programs, see The Finance Project’s publication, [Using CDBG to Support Community Based Youth Programs](#).

Within the [Youth Programs Resource Center](#) you will also find an [online clearinghouse](#), jointly developed by The Finance Project and The Forum for Youth Investment. The clearinghouse contains a wealth of information and resources for supporting and sustaining youth programs and initiatives. It is designed to help you learn about data, tools, policies, practices, financing strategies, coordination efforts and technical assistance resources developed by organizations in the field that aim to improve the lives of youth.