



ADMINISTRATION FOR  
**CHILDREN & FAMILIES**

Office of Community Services | 330 C Street, S.W., Washington, DC 20201  
www.acf.hhs.gov/ocs

## Community Services Block Grant Information Memorandum

**IM#:** CSBG-IM-2022-163  
**DATE:** August 9, 2022  
**TO:** State, Territory, and Tribal CSBG Lead Agencies  
**SUBJECT:** Use of CSBG Funds for Mortgage Payment Assistance  
**ATTACHMENT(S):** N/A

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### PURPOSE

This Information Memorandum (IM) provides guidance on the use of Community Services Block Grant (CSBG) funding for mortgage payment assistance.

### RELATED REFERENCES

Community Services Block Grant Act, Sec. 672; 676(b)(1)(A)(v); Sec. 678F; Information Memorandum 60; Dear Colleague Letter 2022-21; Information Memorandum 157

### OFFICIAL POLICY

The Office of Community Services (OCS) has received inquiries about the use of CSBG funds for mortgage payment assistance for program beneficiaries. While Section 678F of the CSBG Act prohibits CSBG grant recipients from acquiring or improving property, CSBG grant recipients and eligible entities **can** use their funds to help a program beneficiary pay their mortgage costs as long as the beneficiary meets the CSBG eligibility requirements, and this assistance aligns with an approved Community Action Plan or Tribal Plan.

The use of CSBG funds for mortgage assistance must strictly benefit the eligible beneficiary, and neither the grant recipient nor an eligible entity should possess any interest in the property ownership. As such, grant recipients and eligible entities should ensure appropriate risk management and oversight of all funds and related transactions.

### BACKGROUND

Responding to the needs of individuals and families that are housing insecure has long been a part of the array of supports offered by the CSBG Network. It aligns with the purposes of CSBG: "to provide assistance...for the reduction of poverty, the revitalization of low-income

communities, and the empowerment of low-income families and individuals” (Sec. 672). In addition, as part of the State and Territory Plan process, states must assure that funds will be used “to support activities that are designed to assist low-income families and individuals...[with] obtain[ing] and maintain[ing] adequate housing and a suitable living environment” and “to obtain emergency assistance through loans, grants, or other means to meet immediate and urgent family and individual needs” (Sec. 676(b)(1)(A)(v) and Sec. 676(b)(1)(A)(vi).

### **ELIGIBILITY DETERMINATION**

Grant recipients have substantial discretion in defining the procedures for determining if an individual or family meets the eligibility requirements for CSBG, including the timeframes for review and necessary documentation appropriate to provide services. In response to emergency situations, grant recipients may consider circumstances where individuals may have become low income as a result of the emergency and may establish appropriate procedures based on the nature of the emergency in conjunction with the identified needs of the individual applying for services. Such procedures may include flexibility in accepting signed statements from the individual attesting to eligibility requirements, pending availability of the documentation necessary to document eligibility for assistance needed to remedy immediate emergency needs (see CSBG [IM 157](#), “Immediate Guidance on COVID-19 Response”).

### **RESPONDING TO COMMUNITY NEEDS**

For states and territories, CSBG eligible entities are required to conduct a Community Needs Assessment to determine the most effective anti-poverty services and strategies to implement in their communities. Eligible entities then submit their Community Action Plans to their respective state or territory CSBG office. The state or territory CSBG office is responsible for assessing and approving the Community Action Plans. As long as the eligible entity has identified housing related assistance as a need in their community or set aside funding for crisis situations that may arise, they can use their CSBG funding to make mortgage assistance payments. Direct-funded Tribes and Tribal Organizations are required to submit their Tribal Plans to OCS for review and would similarly need to describe the need for mortgage assistance or explain they have set aside funding for crisis assistance.

Thank you for your attention to these matters. OCS looks forward to continuing to provide high-quality services to OCS partners.

/s/

Charisse Johnson  
Director, Division of Community Assistance  
Office of Community Services