

Using CDBG Funds for Graffiti Removal

September 17, 1992

Honorable Rolf Janssen
Mayor of Bell
Bell, CA 90201-1291

Dear Mayor Janssen:

This is in response to your letter of February 3, 1992, to Congressman Matthew Martinez recommending that the removal of graffiti, currently eligible as a public service activity, be eligible under another category and thus removed from the 15 percent public service cap. Your letter has been forwarded to me since my office has responsibility for the administration of the Community Development Block Grant (CDBG) program.

In your letter, you indicate that the City of Bell has been severely constrained in its use of CDBG funds for its Graffiti Removal program. This is because the City has been charging this activity as a public service, which in the CDBG program is limited to 15 percent of the funds (based on total annual grant amount plus program income from the preceding year). Accordingly, you suggest that the removal of graffiti be made a separate category of CDBG eligibility, such as Code Enforcement. The statute identifies specific categories of eligibility. The Department of Housing and Urban Development (HUD) in its rulemaking may only make reasonable interpretations within those categories. Code Enforcement is specifically mentioned in the statute. Unless the statute were amended to provide for graffiti removal, the Department would be unable to adopt your suggestion.

Even though graffiti removal is not mentioned specifically in the statute, HUD has recognized graffiti removal as an eligible public service for several years (§570.201(e)). Under this category, communities have been removing graffiti from public properties in selected areas, and, in some cases, have included private properties. Based on your concerns, we have reviewed this matter further. It has been decided that, to the extent that a community wants to assist private property owners in the removal of graffiti as part of its overall approach to the problem, it may do so under the category of property rehabilitation (§570.202) provided that the costs of doing so are clearly distinguishable from those of removal of graffiti from public properties. For example, under this category, homeowners could use CDBG funds to pay for graffiti removal from their houses, garages, and fences; and store owners could use the funds to pay for the removal of graffiti from the exterior surfaces of the buildings. The community could then use CDBG funds under the category of public services for graffiti removal from the balance of properties in the treatment area. Such an approach would minimize the impact that this activity has on the other services that the community may want to support with CDBG funds.

I hope that the advice provided above on how this activity can be carried out, in part, under the category of rehabilitation will alleviate your major concerns.

Very sincerely yours,

Randall H. Erben
Acting Assistant Secretary

