CDBG LMI NATIONAL OBJECTIVE & FY 2027 HUD INCOME LIMITS

CDBG NATIONAL OBJECTIVE: LOW/MODERATE-INCOME PERSONS

Any CDBG project funded by the City of San Diego must meet the CDBG program's National Objective of benefiting Low/Moderate-Income Persons (LMI National Objective), which may be met by doing one of the following:

A. Creating or improving housing for LMI households (LMH);
B. Creating or retaining jobs for LMI individuals (LMJ);
C. Providing a specific service to definite LMI individuals (LMC); or
D. Providing a defined, primarily residential LMI area with access to an amenity (LMA).

Bullet C above is referred to as the **Low/Moderate-Income Limited Clientele** (LMC) category of the LMI National Objective. The United States Department of Housing and Urban Development (HUD) has defined two methods for meeting the LMI National Objective for projects falling under the LMC category: (1) Presumed Low-Income Clientele; and (2) Direct Benefit to Low-Income Persons.

(1) <u>Presumed Low-Income Clientele</u>

To use the 'Presumed Low-Income Clientele' method, the Subrecipient must fully document how the activities of its CDBG-funded project serve a population from the following predefined list from HUD:

PRESUMED CATEGORY	PRESUMED INCOME LEVEL
Abused Children	Extremely Low Income
Battered Spouses	Low Income
Elderly Persons (62 and over)	Low Income[1]
Severely Disabled Adults	Low Income
Homeless Persons[2]	Extremely Low Income
Illiterate Adults	Low Income
Persons Living with AIDS	Low Income
Migrant Farm Workers	Low Income

Note the above Presumed Low-Income Clientele categories *CANNOT* be applied to economic development projects (e.g., microenterprise assistance projects) or projects providing assistance to households (e.g., single-family, or multifamily housing rehabilitation projects) to meet the LMI National Objective requirement. They can only apply to projects falling under the LMC category.

In addition, a project using the Presumed Low-Income Clientele method must ensure that <u>100 percent</u> of the clients/persons benefitting from the activities of the project are documented members of the populations listed above.

[1] If assistance is to construct, convert, or rehabilitate a senior center or pay for providing center-based senior services, the elderly beneficiaries are considered Moderate Income.

[2] Persons are classified as having a severe disability if they meet at least one of the following conditions as defined by the United States Census Bureau:

- Use a wheelchair or another special aid for six (6) months or longer;
- Are unable to perform one or more functional activities (seeing, hearing, having one's speech understood, lifting and carrying, walking up a flight of stairs and walking);
- Need assistance with activities of daily living (getting around inside the home, getting in or out of bed or chair, bathing, dressing, eating and toileting) or instrumental activities of daily living (going outside the home, keeping track of money or bills, preparing meals, doing light housework and using the telephone);
- Are prevented from working at a job or doing housework;
- Have a selected condition including autism, cerebral palsy, Alzheimer's disease, senility or dementia or developmental disability; or
- Are under 65 years of age and are covered by Medicare or receive Supplemental Security Income (SSI).

(2) Direct Benefit to Low-Income Persons

To use the 'Direct Benefit to Low-Income Persons' method, the Subrecipient must verify and document the household income levels of the individual beneficiaries of the CDBG-funded project to ensure that at least 51 percent of the individuals served are persons whose household income is in compliance with the current HUD LMI income limits (that is, 80 percent or less of the Area Median Income) applicable to the City of San Diego. The HUD LMI income limits apply to activities that are restricted exclusively (100 percent) to LMI persons as well.

The following table outlines the current applicable household income limits for the City of San Diego's CDBG program:

CDBG INCOME LIMITS*
FOR CITY OF SAN DIEGO
(Effective June 1, 2026 / Published June 2026 / Source: HUDExchange.info)

HOUSEHOLD SIZE	EXTREMELY LOW INCOME LIMITS (0-30% of median)	VERY LOW INCOME LIMITS (31-50% of median)	LOW/MODERATE INCOME LIMITS (51-80% of median)
1	$0 - $36,750	$36,751 - $61,250	$61,251 - $97,950
2	$0 - $42,000	$42,001 - $70,000	$70,001 - $111,950
3	$0 - $47,250	$47,251 - $78,750	$78,751 - $125,950
4	$0 - $52,450	$52,451 - $87,450	$87,451 - $139,900
5	$0 - $56,650	$56,651 - $94,450	$94,451 - $151,100
6	$0 - $60,850	$60,851 - $101,450	$101,451 - $162,300
7	$0 - $65,050	$65,051 - $108,450	$108,451 - $173,500
8	$0 - $69,250	$69,251 - $115,450	$115,451 - $184,700

**Income limits are set by HUD and are subject to change. The income limits listed above are the most current.*