Section 570.201(e) of the CDBG regulations requires that each eligible public service activity be either:

- A new service; or
- A quantifiable increase in the level of an existing service which has been provided by the grantee or another entity on its behalf through State or local government funds in the 12 months preceding the submission of the grantee’s Consolidated Plan/Annual Action Plan to HUD.

This requirement does not prevent continued funding to the CDBG-assisted public service at the same level in a subsequent year, however.

Example #1:
In 2010, ABC Child Center received CDBG funding for an art educational program for low- to moderate-income students ages one through 5 years of age. In 2011, they want to apply for CDBG funds for an educational program for science for the same age group. YES, this would be an eligible public service activity as a NEW SERVICE.

Example #2:
In 2012, 2013, 2014 and 2015, ABC Child Center received $10,000 in CDBG funds for its educational programs for 100 low- to moderate-income clients. In 2016, they requested $11,000 for its educational programs for 140 low- to moderate-income clients. The increase in funding is requested because the program’s success has driven the creation of an enrollment waitlist of 40 households over the past 12 months. The waitlist is attached to the application as proof of the quantifiable increase in need. YES, this would be an eligible public service with a QUANTIFIABLE INCREASE OF AT LEAST 40%.

Example #3:
In 2012, 2013, 2014 and 2015, ABC Child Center received $10,000 in CDBG funds for its educational programs for 100 low- to moderate-income clients. In 2016, they requested $11,000 for its educational programs for those 100 low- to moderate-income clients. NO, this would not be a new service or a quantifiable increase in service. ABC Child Center has not experienced an increase in need for its existing service if they are continuing to serve 100 clients.

Example #4:
ABC Child Center did not apply for CDBG funds in 2016 but received CDBG funds in 2015 for its educational program for low- to moderate-income clients. In 2017 ABC Child Center applied for CDBG for its educational program for low- to moderate-income clients. This is NOT a new service and ABC Child Center needs to show a quantifiable increase in the level of an existing service in order to be eligible for CDBG funds in 2017 since it did not apply in 2016.

Example #5:
ABC Child Center received funding from the PA Department of Education “Reading Rocks” program to provide its clients with a program for all of their low- to moderate-income clients. Unfortunately, budget cuts required PA to eliminate funding to all “Reading Rocks” programs. ABC Child Center applied for CDBG funds this year for its “Reading Rocks Lehigh County” program. The program is exactly the same as its “Reading Rocks” program that was previously funded by PA. NO, this would not be eligible.