

# **Appendix E**

## **STRATEGY, LOCAL TARGET, AND CDFI AREAS**

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### **Strategy Areas**

CDBG grantees may establish Neighborhood Revitalization Strategy Areas (NRSAs). These are locally designated areas where geographically targeted revitalization efforts are carried out through multiple activities in a concentrated and coordinated manner.

To stimulate the development of NRSAs, HUD offers CDBG grantees incentives such as greater flexibility in program design and reduced recordkeeping requirements.

For more information, grantees should refer to:

- Notice CPD-96-01
- 24 CFR 91.215(g)
- 24 CFR 570.208(d)(5)(i) and (ii)
- 24 CFR 570.209(b)(2)(v)(L) and (M)
- 24 CFR 570.204(b)(2)(ii)

NRSAs require HUD approval.

### **Local Target Areas**

While NRSAs are established through a formal process that requires approval by HUD, many other target areas are locally defined. These local designations may have a variety of names—revitalization areas, target neighborhoods, priority zones, and so on.

### **CDFI Areas**

CDFIs (Community Development Financial Institutions) are specialized financial institutions that work in market niches not adequately served by traditional financial institutions. CDFIs include community development banks, credit unions, loan funds, venture capital funds, and micro-enterprise loan funds.

Grantees have some flexibility within the regulations when CDBG-assisted activities are carried out by a CDFI serving a primarily residential area that is at least 51% LMI [see 24 CFR 570.208 (d)(6)].