The CDA operates the Block Grant program for the City. The CDBG funds originate from HUD, trickle down to the Wisconsin Department of Administration, Division of Housing, and then on to Communities who apply for the funds, to enable residents to borrow money at low or no interest.

Funds are available to homeowners, landlords and prospective home buyers. Loan proceeds can be used to make homes more energy efficient and/or to make necessary repairs.

Funds for homeowners do not have to be repaid until they sell the house, or no longer reside in the unit. Landlords can borrow money at 3% interest, but must agree to rent to Low-Moderate Income (LMI-80% of median income) household, and the CDA Loan Review Committee sets the rents.

Applicants for the program are required to be at or below 80% of Sauk County median income. Funds are not always available, but applications are taken at anytime and a waiting list is established. When loans are repaid, the money remains in the city of Baraboo and is loaned out to another homeowner.