

Area leaders to discuss possible \$3m cut to Hub social service providers

Posted by Matt Rocheleau, Town Correspondent | February 11, 2011 | 07:48 PM

Area leaders will hold a roundtable discussion Saturday morning in Jamaica Plain about the potential that Boston could lose more than \$3 million in cuts in federal grant funding.

Boston Mayor Thomas M. Menino and Newton Mayor Setti Warren will meet with other key local officials and community members to raise awareness about and discuss the proposed cuts, which provide jobs and support key programs, officials said.

Warren will speak about the national effort by mayors to oppose cuts to the Community Development Block Grant program, the release said. He is Chair of the United States Conference of Mayor's Community Development and Housing Committee. Six community members representing homeless services, community development organizations, small businesses, youth and homeowners are also expected at the 10:30 a.m. roundtable at the [Ecumenical Social Action Committee's](#) headquarters in Egleston Square, officials said.

A current proposal could cause Boston's social service providers and other recipients to lose more than \$3 million in funding, according to the Menino's office.

The Boston Globe

Mayors brace for bad news in budget

Federal funding looks in jeopardy

Andrew Ryan | Globe Staff | February 14, 2011

The budget President Obama will release today does not bode well for local governments and social service providers. His administration has already proposed cuts that would slash funding for homeless shelters, small business loans, and projects that fix streets and sewers.

Over the weekend, two local mayors mobilized against federal plans to scale back a grant program used since the 1970s to plug holes in the social safety net, jump-start construction projects, and help senior citizens on fixed incomes finance home improvements.

"We can't balance our books on the back of the poor," said Mayor Setti D. Warren of Newton, who chairs the community development and housing committee for the US Conference of Mayors. "This money goes directly to people who are most in need and has an immediate impact on job creation."

A 7.5 percent reduction in the Community Development Block Grant program is one of many proposed cuts in domestic spending the Obama administration will outline today as it releases its budget for the federal government's next fiscal year, which begins Oct. 1.

The new Republican majority in the House of Representatives is pushing even deeper and more immediate cuts to the grant program, trying to enact what local officials said would amount to a 13.5 percent reduction over the next seven months, costing Boston \$3 million. In the next fiscal year, some in the GOP have proposed eliminating the grants all together.

"I think this is the heart of working-class America," Mayor Thomas M. Menino said yesterday. "These grants and funding really help put people to work immediately. It really cuts into the important things we do in government."

For decades, the community development grants enjoyed bipartisan support because the money allowed federal lawmakers to support bread-and-butter projects and small businesses back home directly. In Boston in recent years, grants helped jump-start the construction of housing for moderate- and low-income families on the site of the shuttered Blessed Sacrament parish in Hyde Square; build a new kitchen and job training center at the Pine Street Inn homeless shelter in the South End; and provide a \$20,000 loan to Clover Fast Food so it could launch a food truck on the Rose Fitzgerald Kennedy Greenway.

"Last year at this time, I had seven employees," said Ayr Muir, founder of Clover, which has another food truck in Cambridge and just opened a restaurant in Harvard Square. "Now I've got 70 employees."

Other federal programs targeted for steep reductions include home energy assistance to low-income families, a separate grant program for community service agencies, and money for states for airports and water treatment plants, according to a report in yesterday's New York Times. When Obama's full budget is released today, local governments and social service providers will be bracing for more bad news.

"Some of these cuts, especially HUD cuts, could set us back significantly," said Lyndia Downie, executive director of the Pine Street Inn, referring to the US Department of Housing and Urban Development. "Everybody gets that we need to be more efficient, and we are clearly in a crisis because of the deficit. But it seems like it is really across the board without looking at the unintended consequences to this stuff."

Deep cuts in spending will probably remain in place for some time. The federal government must grapple with a soaring deficit, and states face staggering budget gaps as federal stimulus money dries up and other costs, such as municipal health care, continue to rise.

"I think this is not a one-year aberration," said Michael J. Widmer, president of the Massachusetts Taxpayers Foundation, a business-backed budget watchdog group. "Programs that have been staples for years are now being cut. The ability of government to provide the level of service it has is fundamentally changing in this country."

Governor Deval Patrick has proposed slashing local aid next year by 7 percent, marking the fourth consecutive year that cities and towns have faced cuts in the money that helps pay for police officers, firefighters, and other core municipal services. To lessen the pain, Patrick has promised to give municipalities more money for schools and roads and greater power to curb health insurance costs.

"Here in the Commonwealth, we have made difficult budget decisions while keeping our commitment to job creation, education, health care, and combating youth violence," Patrick's budget chief, Jay Gonzalez, said yesterday in a statement.

In Newton, the city stands to lose roughly \$515,000 in community grants if both the Republicans' and Obama's cuts take effect.

"There has to be a sense of shared sacrifice. I believe in deficit reduction, as does the president, but we have to look at all of our programs," Warren said. "As we begin to see Wall Street taking off again and getting bonuses, we have to make sure that stretches to our Main Streets."



Mayors Warren and Menino decry federal budget cuts

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Boston — Mayor Setti Warren and Boston Mayor Thomas Menino convened a roundtable discussion with Boston City officials and community members at Jamaica Plain's Ecumenical Social Action Committee on Saturday to discuss this year's proposed federal budget cut of 13.5 percent in Community Development Block Grant (CDBG) funding, which could affect non-profit agencies in both communities serving some of the cities' most vulnerable residents.

"At a time when our economy is only beginning slowly to recover and states and local governments are still making drastic cuts in their budgets, CDBG is an investment that will stimulate much needed job growth and leverage crucial private and public investments." said Warren, who also serves as Chair of the United States Conference of Mayors' Community Development and Housing Committee. "We know that the Obama Administration is committed to a strong CDBG program. But those of us at the local level must actively pledge our support and do our part to ensure that this resource is available to us long into the future."

Under the current FY 2011 budget plan, CDBG funding would receive a reduction of \$230 million - resulting in a direct loss of as much as \$3 million for Boston that makes possible some of the community's most vital services. The City of Newton, which typically receives about a \$2.4 million CDBG allocation, would be affected by the same 13.5 percent cut.

"Federal Community Development Block Grants give us the flexibility to make decisions locally about what works for our neighborhoods. We use these funds to create housing for the homeless, revitalize our Main Streets, provide assistance to first time homebuyers and small businesses, and support the strong middle class base of our city," Menino said. "We must state our case loudly - CDBG works. And we simply cannot afford to lose any of this critical funding."

For 37 years, the CDGB program has been a mainstay in the partnership between the federal government and cities and states' efforts to improve the lives of low- and moderate-income families. The program's reach spans a broad spectrum of activities, including: creating homeownership and other affordable housing opportunities; improving infrastructure such as roads, water, and sewer systems; creating or improving fire stations and community centers; providing adult day care, after school care for children, employment training, transportation services, crime awareness programs, business and job creation opportunities, and support for programs to end homelessness.