CITY OF LOS ANGELES
CALIFORNIA

RICHARD L. BENBOW
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ANTONIO R. VILLARAIGOSA
MAYOR

September 20, 2011

The Honorable Barbara Boxer
United States Senate
112 Senate Hart Office Building
Washington, DC 20510

Dear Senator Boxer,

As the Senate Appropriations Committee plans its markup of the Fiscal Year (FY) 2012 Transportation, Housing and Urban Development and Related Agencies appropriations bill, I write to express my great concern with the Subcommittee's proposed funding level of $2.85 billion for Community Development Block Grant (CDBG) formula grant funding, and urge you to vote for the $3.9 billion funding level. CDBG was funded at this level in FY 2010.

Restoring CDBG funding to the FY 2010 level will enable the City of Los Angeles to continue to provide needed economic development and job creation, neighborhood developments and vital human services to a growing population of low and very-low income individuals and families. In the City of Los Angeles, CDBG helps:

- Fund our FamilySource Centers which serve as an integrated human services delivery system for low and very-low income individuals and families, linking them to needed job training and employment, health, banking and literacy assistance, among others, designed to put clients on a pathway out of poverty and into self-sufficiency; the FamilySource Centers helped more than 50,000 clients, citywide, in its first year of operation;
- Fund economic development projects and helps support the Workforce Investment Board initiatives, creating good, skilled jobs for more than 6,000 city residents;
- Fund domestic violence programs offered by our nonprofit partners, as well as day-laborer and handy worker programs that help the elderly maintain and remain living in their homes; and
- Provide assistance for small business development and incubation with the creation of good jobs.

I also urge you to vote against any reduction to the CDBG administration and planning cap that is currently 20 percent of the grant. The proposed 50 percent reduction in the cap would

hamper my department's ability to operate our community and economic development programs because:

- The administration and planning funds are as critical to our CDBG mission as are the programmatic funds. Without the 20 percent, the Community Development Department would be unable to staff and, therefore, operate and monitor program delivery and outcomes for compliance with program regulations;
- Without professional staff supported by the administration and planning dollars, there would be no one to administer and evaluate RFPs to determine which organizations have the experience and capacity to operate CDBG-funded projects and activities; and
- Other City departments that operate CDBG-funded programs would, likewise, be unable to administer their programs for seniors, low-income children, and the homeless.

Senator, these, and more, are the critical reasons why funding of CDBG at the FY 2010 level of $3.9 billion, with the 20 percent available for administration and planning, is so critically important. In an economy where 15 percent of residents are unemployed and poverty is close to 25 percent, slashing CDBG (and HOME) program funding would simply be unconscionable. There are no other safety nets to help our low and very-low income residents. In the past year, CDBG dollars have touched the lives of more than 207,000 Los Angeles residents through improvements to public and neighborhood facilities and infrastructure, and it has assisted 2,273 households with new, affordable rental housing.

Once again, I respectfully urge you to support CDBG funding at its FY 2010 level of $3.9 billion with the 20 percent administration and planning cap. Please convey my comments on this extremely important issue to Senator Patty Murray.

Thank you for your long and ardent support of the City of Los Angeles and its community and economic development program. I can be reached at (213) 744-7300 with any questions.

Sincerely,

RICHARD L. BENBOW
General Manager