

March 23, 2009

The Honorable Kent Conrad  
Chairman  
Committee on the Budget  
U.S. Senate  
624 Dirksen Senate Office Building  
Washington, DC 20510

The Honorable John Spratt  
Chairman  
Committee on the Budget  
U.S. House of Representatives  
207 Cannon House Office Building  
Washington, DC 20515

Dear Chairman Conrad and Chairman Spratt:

The undersigned organizations of local elected officials and affordable housing and community development practitioners write in strong support of increased funding for the Community Development Block Grant (CDBG) and HOME Investment Partnership (HOME) programs. In particular, we strongly support the increased funding to \$4.5 billion for CDBG and the \$1.97 billion for the HOME program proposed by President Obama in his FY 2010 budget request. We urge you to include sufficient room in the respective budget functions to accommodate these proposed funding levels.

Now in its 35<sup>th</sup> year CDBG is one of the Nation's most effective domestic programs. Its utility is in the flexibility it gives to local elected officials and practitioners to fashion tailored responses to their unique neighborhood revitalization, economic development and affordable housing needs. According to national data compiled by HUD, between FY 2005 and 2008 more than 13.6 million persons were benefiting from public improvements made using CDBG funds. During that same period, over 218 thousand jobs were created or retained for activities funded with CDBG funds. This is evidence that CDBG has impact not only in the community but across the Nation as well.

Like CDBG HOME is a flexible block grant intended to expand the supply of both affordable ownership and rental housing for low-income households. HOME has an impressive track record. According to HUD from FY 2003 to FY 2008 HOME Participating Jurisdictions (states, urban counties and metropolitan cities) have committed over \$21.5 billion in HOME for over 930,394 affordable housing units with 896,880 completed. This includes acquisition, construction, and rehabilitation of both single-family and multifamily units that benefit low-, very-low and extremely-low income households. Every dollar of HOME funds invested in a housing unit leverages an addition \$3.73.

Mr. Chairmen we appreciate your support of these programs in the past and thank you for your support of the Administration's request of \$4.5 billion for CDBG and \$1.97 billion for HOME.

Sincerely,

National Community Development Association  
U.S. Conference of Mayors  
National Association of Counties  
National Association for County Community and Economic Development  
National Association of Local Housing Finance Agencies