

Washington, DC

July 19, 2013

Press Statement

CDBG Coalition Urges Senate to Support \$3.150 Billion for CDBG Grants and \$1.0 Billion for the HOME Program in FY14

The Senate Appropriations Committee approved its FY14 Transportation-HUD (THUD) spending bill with bi-partisan support on June 27. The measure provides \$3.150 billion for Community Development Block Grant (CDBG) formula grants and \$1.0 billion for HOME Investment Partnerships (HOME) Program grants. The CDBG Coalition, consisting of national interest groups representing local elected officials, community development practitioners, non-profit organizations, and development organizations, urges the full Senate to follow the Committee's lead in supporting these funding levels when the bill comes to the Senate floor. These programs provide sustained, tangible investments in local communities and attract other dollars; every \$1.00 of CDBG leverages another \$3.55 in other funding and every \$1.00 of HOME leverages another \$4.00 in other funding.

In contrast, the House Appropriations Committee made huge cuts to CDBG in its FY14 THUD spending bill; cutting the program 47%, from \$3.08 billion in FY13 to \$1.6 billion in FY14 and by 58% from FY10 when the program was funded at \$3.9 billion. The House bill also cut \$250 million from the HOME program. These draconian levels represent historic lows for both programs and would affect millions of people nationwide. The House level for CDBG is lower than the \$2.7 billion allocated to the program in 1975 when the program began. The proposed \$700 million for HOME formula grants represent a 60% cut from FY10 when the program was funded at \$1.82 billion. Bi-partisan passage of the Senate bill is needed to counteract the House cuts.

CDBG

Rural, suburban, and urban communities across the country use CDBG funds to provide critical services for low-income people and their families as well as economic development assistance to small businesses and infrastructure improvements to local towns. To this day, CDBG remains the principal source of revenue for localities to use in devising flexible solutions to prevent physical, economic, and social deterioration in lower-income neighborhoods and communities throughout the nation. CDBG is a jobs generator; between FY05-FY12, CDBG **created/ retained 302,622 jobs**. The program also provides decent housing; between FY05-FY12, CDBG assisted **over one million** low- and moderate-income homeowners rehabilitate their homes, provided down payment and closing cost assistance to qualified home buyers, and assisted homeowners with lead-based paint abatement. The program also provides crucial public improvements and services to low-income people. Between FY05-FY12, CDBG public improvements **benefitted over 30 million** low- and moderate-income people nationwide. These public improvements included senior centers, child care centers, group homes for persons with disabilities, shelters for victims of domestic violence and homeless veterans, health clinics providing vaccinations and dental care to low-income children, sanitary water and sewer systems, safe streets, and improved drainage systems, among others. Between FY05-FY12, CDBG provided public services to **over 95 million** low- and moderate-income households. These services included employment training,

meals and other services to the elderly, services to help abused and neglected children, assistance to local food banks, and many other services.

HOME

The HOME program provides grants to over 600 state and local governments to produce much-needed affordable housing for low-income families. HOME funds are a vital and unique source of financing for numerous affordable housing developments including those funded with Low Income Housing Tax Credits and rural housing programs—many of which would not be possible without HOME assistance. States and localities use HOME to serve the whole spectrum of housing need, from homeless to ownership to disaster recovery, from urban to rural areas, and all low-income populations, including families with children, the elderly, veterans, and persons with special needs. Since 1992, the program has completed **over one million affordable housing units** including nearly 460,000 units for new homebuyers, nearly 212,000 units for owner-occupied rehabilitations, nearly 423,000 rental housing units; and has provided direct rental assistance to nearly **264,000 households**.

The following CDBG Coalition members collectively support and release this press statement.

U.S. Conference of Mayors
National Association of Counties
National League of Cities
American Planning Association
Council of State Community Development Agencies
International Economic Development Council
Local Initiatives Support Corporation
National Association of Development Organizations
National Association of Housing and Redevelopment Officials
National Association of Local Housing Finance Agencies
National Association for County Community and Economic Development
National Community Development Association
National Rural Housing Coalition
Rebuilding Together