

October 14, 2005

The Honorable Patrick Leahy
U.S. Senate
Washington, DC 20515

The Honorable Norm Coleman
U.S. Senate
Washington, DC 20515

The Honorable Paul Sarbanes
U.S. Senate
Washington, DC 20515

The Honorable Lindsey Graham
U.S. Senate
Washington, DC 20515

The Honorable Jack Reed
U.S. Senate
Washington, DC 20515

Dear Senators:

The undersigned organizations of local and state elected officials and practitioners and national nonprofits hereby express our strong support for your amendment to the Senate version of H.R. 3058, the FY 2006 Transportation, Treasury, Judiciary and Housing and Urban Development Appropriations bill. The amendment would add an additional \$200 million to the formula grant portion of the Community Development Block Grant (CDBG) program, \$200 million to cover the estimated shortfall in the Committee-approved amount for the Section 8 program, and \$100 million each for the under-funded public housing operating and capital grant programs. The amendment would be offset by a corresponding increase in a \$1.5 billion rescission of previously, but unobligated, appropriated funds. The undersigned organizations would of course not support a rescission that would reduce funds necessary for ongoing housing and community development program needs. In supporting the amendment, we note that HUD has not identified adverse consequences of the rescission upon existing programs.

The \$200 million increase in CDBG would bring formula grant funding to \$3.967 billion, which is still a reduction of approximately \$100 million from the FY 2005 appropriation. CDBG allows communities to undertake a broad range of affordable housing and neighborhood revitalization activities to meet the urgent needs of our nation's low- and moderate-income residents and their neighborhoods. CDBG funds housing rehabilitation, commercial revitalization, job-creation and retention, and vital public services. In community after community across this country there are great success stories on how lives have been changed for the better with these funds. CDBG is the glue that holds together other public and private resources to make communities better places to live and to raise families.

Be assured that we are working to build support in the Senate for this critical amendment.
We thank you for your leadership.

Sincerely,

Council of State Community Development Agencies
Habitat for Humanity International
Housing Assistance Council
Local Initiatives Support Corporation
National Association for County Community and Economic Development
National Association of Counties
National Association of Housing and Redevelopment Officials
National Association of Local Housing Finance Agencies
National Community Development Association
National Conference of Black Mayors
National League of Cities
The Enterprise Foundation
The U.S. Conference of Mayors