



May 30, 2018

RE: FY19 Funding for the Community Development Block Grant (CDBG) Program

Dear Chairwoman Collins, Ranking Member Reed and Members of the Senate THUD Subcommittee:

As you prepare to markup the FY 2019 Transportation, HUD and Independent Agencies (THUD) appropriations bill, the undersigned national organizations representing local elected officials, community development and affordable housing practitioners, and non-profit organizations, request your support in increasing funding for the CDBG program to at least \$3.5 billion.

The CDBG program remains the principal source of federal revenue for states and localities and their program partners to use in developing and implementing community development solutions for creating and sustaining healthy, functioning communities. Communities use CDBG to respond to current and emerging community development needs, including business development and retention, improvement of existing housing stock, the delivery of vital services, and the development of important infrastructure improvements. For every \$1.00 of CDBG investment, another \$4.09 in private and public dollars is leveraged. Funds are targeted to low- and moderate-income households (80% or less of area median income).

The CDBG program has been cut by \$1.1 billion since FY 2001 and remains underfunded. The program was funded at \$2.47 billion in 1975, its first year of operation. Program funding now stands at only \$3.3 billion in FY 2018 even though the number of grantees receiving a direct allocation has more than doubled from 594 in 1975 to 1,268 in 2018 and the need for program funding continues. Based on a CDBG Coalition survey, CDBG grantees annually receive far more local applications for funding than can be met with their current CDBG allocation, with most estimating that over half of the applications are not funded due to a lack of CDBG funding.

With the increase in the FY 2019 budget caps and the increase in the FY 2019 Senate THUD Subcommittee allocation, we ask that CDBG be funded at \$3.5 billion in FY19 given the underfunding of the program and the ongoing local need.

Thank you for your leadership and support of this critical program. If you have any questions please contact Vicki Watson, National Community Development Association, at vwatson@ncdaonline.org.

Sincerely,

American Planning Association
Council of State Community Development Agencies
Enterprise Community Partners
Feeding America

Habitat for Humanity International
Heartland Alliance
Local Initiatives Support Corporation
National Association for County Community and Economic Development
National Association for Latino Community Asset Builders
National Association of Counties
National Association of Development Organizations
National Association of Housing and Redevelopment Officials
National Association of Local Housing Finance Agencies
National Association of Regional Councils
National Community Development Association
National Development Council
National League of Cities
National NeighborWorks Association
National Recreation and Park Association
National Urban League
Rebuilding Together
Rural Community Assistance Partnership
The Trust for Public Land
U.S. Conference of Mayors
YWCA USA