



*Congress of the United States  
House of Representatives  
Washington, D. C. 20515*

*Anna G. Eshoo  
Fourteenth District  
California*

March 9, 2005

President George W. Bush  
The White House  
1600 Pennsylvania Avenue NW  
Washington, D.C. 20500

Dear Mr. President,

I write to express my strong opposition to the proposed consolidation of 18 housing and community development programs into the Department of Commerce, with a cut to funding for the Community Development Block Grant (CDBG) program.

The CDBG program has long been an important source of funding for housing programs in the 14<sup>th</sup> Congressional District of California which I represent. My District is home to Palo Alto, Mountain View and many other Silicon Valley communities where housing costs have escalated over the past decade, putting enormous pressure on lower-income individuals and families.

In the 14<sup>th</sup> Congressional District, the median home costs well over \$600,000. This is more than \$400,000 above the national average. With the high cost of homes, fewer than 15% of the population can afford to buy a home in the District. Renting is not easy either. A renter earning the average annual income in the region must spend 76% of his or her income to afford a two-bedroom apartment. A recent survey in Santa Clara County, a County in the District, found that more than 7,000 people are homeless in the County and fewer than 40% of these people have access to homeless shelters. A far greater number of people are just one pay check away from losing their home. The CDBG program has been integral in maintaining housing affordability for this population.

Because of this great need, I'm concerned by the recent comments made by David Sampson, Assistant Secretary of Commerce for Economic Development, who said that wealthy communities like Palo Alto receive more grant money than they deserve, suggesting that funds for communities in my Congressional District should be cut. This demonstrates a complete lack of understanding of the situation that exists for areas where the cost of living is exceptionally high.



Palo Alto and other communities use CDBG funds effectively and their continuing need for such funding will not disappear soon. Palo Alto is currently using CDBG funds to construct 89 housing units for low income individuals. It also uses the CDBG program to provide basic services such as food, clothing and case management to approximately 150 homeless and/or low income individuals on a daily basis, among a number of other programs. The CDBG program helps other communities provide similar services to residents in the District with programs that allow low income seniors to stay in their homes, as well as the construction of long-term housing for homeless and very low income individuals and families. By cutting CDBG funding to the communities in my District, the important safety net the community has strived to create will be greatly weakened, if not destroyed.

It's important that any decision regarding the future of the CDBG program take into consideration the impact it has on low income and homeless populations regardless of the surrounding community of where they live. I urge you to protect this important program and the funds that these communities rely on to help their most needy.

Thank you for your consideration of my request.

Sincerely,

A handwritten signature in black ink, appearing to read 'Anna G. Eshoo', written over a horizontal line.

Anna G. Eshoo  
Member of Congress

cc: Secretary Alphonso Jackson, U.S. Department of Housing and Urban Development  
Secretary Carlos Gutierrez, U.S. Department of Commerce  
Ruben Barrales, Deputy Assistant to the President and Director of the Office of Intergovernmental Affairs