

Eshoo Fights President's Proposal to Cut Community Development Block Grant Program

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Congresswoman Anna Eshoo vowed today to fight the Bush Administration's proposed consolidation and cuts to the Community Development Block Grant (CDBG) program. As a first step in her opposition, Eshoo wrote to President Bush, to Administration officials, and to the House of Representatives Budget Committee urging them to protect the vital CDBG program's funding and to oppose any proposal to consolidate the program.

"The CDBG program is a crucial funding source for establishing and maintaining safe affordable housing and revitalizing communities throughout the 14th Congressional District," Eshoo said. "Cutting a program this successful is counterproductive and will hurt our communities."

Under the President's proposal, the CDBG program would be consolidated with 17 other housing and community development initiatives into a single program. The jurisdiction of the consolidated program would be moved to the Commerce Department from the Department of Housing and Urban Development where it is now. This new consolidated program would also be subjected to 35 percent less funding than the 18 programs received combined last year.

In the Budget Resolution adopted by the House Budget Committee last week, funding for community development programs, including CDBG, was cut by \$1.5 billion.

Eshoo also took issue with comments made by Assistant Secretary of Commerce for Economic Development David Sampson who singled out Palo Alto as receiving more CDBG funds than it deserved. "Mr. Sampson's comments demonstrate a lack of understanding for how this program benefits communities with real income disparities," Eshoo said.

In the 14th Congressional District, the CDBG program provides essential funding for communities to assist the poor, seniors and homeless. The City of Palo Alto has used the funds for the construction of the Opportunity Center and to help provide basic services and case management to approximately 150 homeless and/or low-income individuals on a daily basis. In Mountain View, CDBG funds have been used for the construction of San Antonio Place, a studio apartment complex under construction which will rent to low-income individuals.

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