Senate Resolution 328

By: Senators Hooks of the 14th, Kemp of the 46th, Meyer von Bremen of the 12th, Moody of the 56th, Shafer of the 48th and others

A RESOLUTION

1   Urging continued support for the Community Development Block Grant (CDBG) Program;
2   and for other purposes.

3   WHEREAS, the Community Development Block Grant (CDBG) Program has served as a
4   foundation upon which local governments across Georgia have created jobs, developed
5   affordable housing, stabilized neighborhoods, and provided important public services for the
6   past 22 years; and

7   WHEREAS, the United States Office of Management and Budget (OMB) recommends the
8   consolidation of 18 federal community development programs into a single program, which
9   will be housed in the United States Department of Commerce; and

10   WHEREAS, OMB's proposal further recommends the administration of community
11   development and other programs be placed at the federal level, despite the fact that Georgia
12   has responsibly and effectively managed the program for 22 years, building successful
13   relationships between local governments and the State of Georgia; and

14   WHEREAS, Georgia's CDBG Program has affirmed the concept of federalism where states
15   were given the responsibility for administering nonentitlement CDBG since the Reagan
16   administration; and

17   WHEREAS, the program, as administered by the state, has met and continues to meet
18   President Bush's goals of leveraging "economic development, providing robust job
19   opportunities, and creating livable communities" for Georgia's low- and moderate-income
20   persons; and

21   WHEREAS, as a result of this consolidation, programs with combined budgets totaling
22   nearly $5.7 billion will be squeezed into a $3.7 billion package, resulting in projected cuts
23   to the CDBG Program, which is currently funded at $4.7 billion, of up to 40 percent; and

1   WHEREAS, cities and counties in Georgia receive nearly $100 million annually in funding

2   from this program either directly from the United States Department of Housing and Urban

3   Development or through a competitive award from the Georgia Department of Community

4   Affairs; and

5   WHEREAS, the state-managed program has provided, on average, some $47 million of

6   assistance to smaller local governments in the state over the past two years, while the larger

7   local governments received some $48 million annually over this same time frame; and

8   WHEREAS, the strength of the CDBG Program lies in local determination of immediate

9   need, flexibility in how to address problems, a wide variety of eligible activities, and the

10   responsible administration of funds by state and local officials; and

11   WHEREAS, in the past six years alone, CDBG funds available to our smaller cities and

12   counties in the state have leveraged the creation and retention of 11,930 jobs; home

13   ownership assistance for 737 persons; construction of 92 homes; rehabilitation of 420 homes;

14   and construction of 397 public infrastructure projects, including construction or renovation

15   of public facilities, roads, and water and sewer systems serving 172,252 persons; and

16   WHEREAS, the Georgia Department of Community Affairs, the administering agency for

17   HUD/CDBG funds, has not only effectively designed and managed the CDBG

18   Non-Entitlement Program for small cities without incident for 22 years, but has also been a

19   responsible steward of federal funds and has developed programs tailored to meet specific,

20   critical state-wide needs, including the Employment Incentive Program, Redevelopment

21   Funds, and the Immediate Threat and Danger Program; and

22   WHEREAS, over the past six years, the state-tailored Employment Incentive Program,

23   funded with CDBG funds, has resulted in the creation or retention of 96 businesses and

24   11,394 jobs for low- and moderate-income persons, and each dollar of CDBG/EIP funds has

25   resulted in $24.00 of private sector investment; and

26   WHEREAS, over the past six years, Redevelopment Funds have been used to rehabilitate 18

27   slum or blighted properties and create or retain 259 jobs, leveraging a total private and public

28   investment of well over $24 million; and

1   WHEREAS, over the past six years, the Immediate Threat and Danger Program has funded

2   69 projects that provided potable drinking water, sanitary sewers, or otherwise alleviated an

3   immediate threat to the public's health and safety; and

4   WHEREAS, while Georgia's rural communities continue to suffer from declines in

5   traditional industries and face difficulties in arranging the resources to develop and attract

6   the new economic engines of the twenty-first century, the tenacity and innovation shown by

7   local governments in initiating local solutions to their needs point the way towards successful

8   concepts that can be cultivated and expanded; and

9   WHEREAS, the state-administered CDBG Program is playing a pivotal role in providing the

10 seed capital and leveraging of private funds needed for these communities to create and

11 implement their own local solutions; and

12 WHEREAS, the Georgia Department of Community Affairs has an unblemished record of

13 effective, fair, and responsible management of the Community Development Block Grant

14 Program; and

15 WHEREAS, as President Reagan observed regarding federalism, "With respect to national

16 policies administered by the states, the national government should grant the states the

17 maximum administrative discretion possible. Intrusive federal oversight of state

18 administration is neither necessary nor desirable."

19 NOW, THEREFORE, BE IT RESOLVED BY THE SENATE that this body urges the

20 continued support and full funding of the CDBG Program for city and county community and

21 economic development programs and projects, and supports continued administration of the

22 CDBG Program at the state level.

23 BE IT FURTHER RESOLVED that the Secretary of the Senate is authorized and directed

24 to transmit appropriate copies of this resolution to Governor Sonny Perdue and the members

25 of the Georgia Congressional delegation.