

# CDBG E-NEWSLETTER

Bi-Monthly Update for Participating Agencies from the Community Development Block Grant Division

Issue XIX

August-September 2006

## UPDATE ON THE FY 2007 BUDGET AND HUD'S REFORM BILL

By Raymond Webster

The Community Development Block Grant (CDBG) Division has received good news from Washington regarding two (2) proposals that could have negatively affected the CDBG Program. The first proposal, discussed in previous E-Newsletters, is the President's proposed 25% cut in funding. The other, is the U.S. Department of Housing and Urban Development's (HUD) proposed "reform" of the formula by which CDBG funds are allocated.

The first bit of good news came on June 14, 2006, when the House of Representatives passed H.R. 5576, the Fiscal Year (FY) 2007 Transportation, Treasury, and HUD appropriations bill. This bill funds CDBG formula grants at \$3.873 billion and on July 20, 2006, the Senate Appropriations Committee approved its version of H.R. 5576, recommending that CDBG formula grants be funded at \$3.877 billion. This is an increase of \$166 million over the FY 2006 level of \$3.711 billion. The Senate and House of Representatives will conference on the bill to hammer out any differences. The final budget is expected to be passed after the November elections.

The other news involves HUD's reform of the CDBG allocation formula. The proposed formula has been reviewed by the House of Representatives and the Senate. Fortunately for the CDBG Program, the proposal has not moved forward due to lack of support in both the House and the Senate. In committee reports, the House indicated that they were not given enough time to evaluate HUD's proposed reforms and the Senate felt some reforms may be warranted but overall found them to be "very controversial." The most controversial among them is the proposed formula change which would have resulted in a decrease in funding for many entitlement jurisdictions, including the Los Angeles Urban County.

As we receive more information on the budget and HUD's proposed reforms to the CDBG Program, we will keep you informed.

## NEW CDC WEBSITE!

By Darrell Santos

If you haven't noticed already, the Community Development Commission (CDC) of the County of Los Angeles Website, [www.lacdc.org](http://www.lacdc.org), is new and improved. Visitors to the site will be treated to a more colorful and much easier website to navigate.

To access CDBG information from the CDC Home Page, simply move your cursor on the "**Site Navigation**" header on the left-hand side, then on "**Divisions.**" Finally, "**click**" on "**Community Development Block Grant**" and you are there! We also have a new Partner Page login procedure to help make things a little easier for you, our Participating Agencies.

So, the next time you are online, stop by [www.lacdc.org](http://www.lacdc.org)!

## Community Meetings!

By Darrell Santos

It's that time of year again as the CDBG Division travels throughout the County to host Community Meetings, one (1) in each Supervisorial District. We look forward to hearing from residents and living up to our CDBG motto of "**PUTTING DOLLAR\$ INTO ACTION.**" For a schedule of each District's Community Meeting, please logon to: [www.lacdc.org](http://www.lacdc.org)

### Important Dates:

#### August 2006

08/30/06

All Agencies: Deadline to Submit Final Funding Request for Projects that Expired 06/30/06

#### September 2006

09/04/06

Labor Day Holiday - CDC Offices Closed

09/11/06 to 09/25/06

Public Comment Period for 2004-2005 CAPER

