



**CITY OF LODI
COUNCIL COMMUNICATION**

4

AGENDA TITLE: Adopt Resolution Supporting the Preservation of the Existing U.S. Department of Housing and Urban Development Community Development Block Grant Program

MEETING DATE: April 19, 2006

PREPARED BY: Management Analyst, City Manager's Office

RECOMMENDED ACTION: Adopt resolution supporting the preservation of the existing U.S. Department of Housing and Urban Development Community Development Block Grant program.

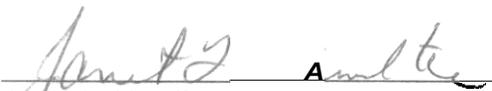
BACKGROUND INFORMATION: For more than 30 years, America's cities, including both small and large in California, have used Community Development Block Grant (CDBG) funds to create jobs, provide affordable housing, eliminate blight and generate new economic investment. CDBG funds have

played a critical role in community and economic development in the City of Lodi. Since 1996, over \$12 million has been allocated to projects that benefit the community, projects such as:

- Economic Development
- Relocation of the Salvation Army
- The Lodi Boys and Girls Club
- Lodi House
- Loel Center
- Low-interest loan program for first time home buyers
- Handicap ramp retrofits for sidewalks
- Park and playground equipment

The President has proposed to reduce the CDBG program to \$3.03 billion for fiscal year 2006, which is a 25 percent lower than its current funding level of \$4.18 billion. Without proper funding for CDBG, the economic well-being of the City of Lodi and other communities in California will be threatened. The City of Lodi requests that Congress enact a FY 2007 budget and appropriations package that fully funds CDBG at no less than the \$4.18 billion, which is equal to the FY 2006 allocation.

FISCAL IMPACT: A 25% reduction in funding would reduce the City of Lodi's CDBG allocation by \$197,500 and would require amendment of the CDBG plan for 2007.


Janet L. Hamilton
Management Analyst

APPROVED: 
Blair King, City Manager

RESOLUTION NO. 2006-69

A RESOLUTION OF THE LODI CITY COUNCIL IN
OPPOSITION TO PROPOSAL TO CUT \$1 BILLION FROM
THE 2006-07 FEDERAL BUDGET FOR COMMUNITY
DEVELOPMENT BLOCK GRANT PROGRAMS

WHEREAS, for more than 30 years, America's cities have used Community Development Block Grant (CDBG) funds to create jobs, provide affordable housing, eliminate blight, and generate new economic investment; and

WHEREAS, CDBG funds have played a critical role in community and economic development in the City of Lodi, and since 1996, over \$12 million has been allocated to projects that benefit the community, such as Economic Development, Façade Improvement Program, or the recent incentive program. Others have been for the community good, such as the relocation of the Salvation Army, the Lodi Boys and Girls Club, Lodi House, and the Loel Center; and

WHEREAS, CDBG funds have allowed the City to offer a low-interest loan program for first-time homebuyers and have also been the key funding source for the City's handicap ramp installations; and

WHEREAS, the President has proposed to reduce the CDBG program to \$3.03 billion for fiscal year 2006, which *is* 25% lower than its current funding level of **\$4.18** billion. Without proper funding for CDBG, the economic well-being of the City of Lodi and other communities in California will be threatened.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Lodi hereby supports the preservation of the existing Community Development Block Grant Program and requests that Congress enact a fiscal year 2007 budget and appropriations package that fully funds CDBG at no less than the **\$4.18** billion, which is equal to the fiscal year 2006 allocation.

Dated: April 19, 2006

I hereby certify that Resolution No. 2006-69 was passed and adopted by the City Council of the City of Lodi in a regular meeting held April 19, 2006, by the following vote:

AYES: COUNCIL MEMBERS – Hansen, Johnson, Mounce, and
Mayor Hitchcock

NOES: COUNCIL MEMBERS – Beckman

ABSENT COUNCIL MEMBERS – None

ABSTAIN: COUNCIL MEMBERS – None


SUSAN J. BLACKSTON
City Clerk