

Mr. Chairman, thank you.

I am here on behalf of Congresswoman Meek to testify on H.R. 1191, the Community Development Block Grant Renewal Act.

This act concerns one of the most significant sources of federal funding for housing, economic development, job creation, and community revitalization.

The Community Development Block Grant Renewal Act would target funds to low and moderate income communities by providing affordable housing, suitable living environment, and expanded economic opportunities.

The CDBG was originally established as Title I of the Housing and Community Development Act of 1974.

The act served to improve communities by providing state and local governments with an elastic source of money to use for the benefit of low and moderate-income communities

Title I assured that, at minimum, 70% of the allocated funds would be used for those people earning low to moderate incomes.

H.R. 1191 looks to improve the "Primary Objective" of the CDBG to ensure that at least 80% of such funds go directly to aid low and moderate income individuals and families.

The act specifies even further that at least 40% of the appropriated money is earmarked for people of lower income.

This "Primary Objective" will help bring needed aid to a suffering housing industry and will fill the gaps of current law.

H.R. 1191 also enables the CDBG to give monies to non-profit organizations whose sole purpose is to help low and moderate income people.

This non-profit funding will promote greater public participation and provide a better forum to monitor the use of CDBG funds.

According to H.R. 1191, any business which receives funds from CDBG still has to make sure that at least 51% of any new or retained jobs would target lower income people.

H.R. 1191 has strong support from several groups such as the National Council of La Raza, National Low Income Housing Coalition, National Alliance to End Homelessness, and Miami-Dade Board of County Commissioners.

I would like to encourage all my colleagues to please support H.R. 1191, the Community Development Block Grant Renewal Act and help to end the current housing crisis that so many low and moderate income communities are facing.

Thank you, Mr. Chairman.