
IMPACT OF PROPOSED HUD BUDGET CUTS ON THE CITY OF SACRAMENTO

Sacramento Housing and Redevelopment Agency

February 22, 2005

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President's 2006 HUD Budget

- HOME and Homeless Assistance Grants increased slightly
- Housing Choice Voucher increased by 5%
- Public Housing Capital fund reduced by 10%
- Eliminates CDBG and 17 economic and community development programs

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PROPOSED “Strengthening America’s Communities Initiative”

- New program in the Department of Commerce
- Focus on economic development and employment
- Community development and housing may no longer be eligible activities
- New criteria is being established to qualify communities

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Funding for the “Strengthening America’s Communities Initiative”

- \$3.7 billion in 2006
- In 2005 CDBG alone received \$4.7 billion
- 2005 total for all 18 original programs was \$5.3 billion

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History of CDBG Program

- Established in 1974 to assist low-income people and neighborhoods
- Beneficiaries include:
 - Homeless
 - Youth
 - Seniors & Disabled
 - Low Income families
 - Low income neighborhoods

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CDBG Entitlement

- Since 1975, the City and County of Sacramento have received \$305 million in CDBG funds
 - \$144 million in the City
- In 2005, the City received \$6.6 million in CDBG

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Examples of CDBG Projects

- Oak Park Community Center
- Florin Road Streetscape
- Blue Diamond
- Gardenland Park Water Spray Feature
- Lemon Hill Boys and Girls Club
- Southside Park Clubhouse
- Del Paso Nuevo

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CDBG Direct Services

People directly served in 2004:

- 2,102 homeless
- 6,448 elderly
- 988 youth

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CDBG Programs and Projects at Risk

- Workcreation
- Code Enforcement
- George Sim Center
- McClellan Heights/Parker Homes
- Streetscapes: Northgate,
Franklin/Fruitridge, others
- Emergency Repair Program
- Commercial Revitalization Program

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CDBG Programs and Projects at Risk cont.

- City CIP
- Homeless Programs
- Human Rights Fair Housing
- Infoline
- First time Home Buyers
- Mortgage Assistance Programs
- 24th Street Bypass Park

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Conclusion

- Impact neighborhoods and poor people
- March and April – Key Federal Budget dates
- Work closely with our partners
- Budgeting with uncertainties
- Provide updates