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CITY OF SACRAMENTO

ANNE RUDIN
Mayor
City Hall
915 I Street, Room 205
Sacramento, California 95814
(916) 449-5407

February 11, 1986

Mayor Diane Feinstein
City Hall, Room 200
400 Van Ness Avenue
San Francisco, CA 94102

Dear Mayor Feinstein,

I understand that you will be testifying before the House Budget Committee on Friday, February 14, 1986. I and the Sacramento City Council join you in urging Congress to rescind the proposed budget deferrals of CDBG funds. Since 1980, Sacramento CDBG funding has been cut by almost one half -- from approximately \$11 million to \$6 million. This program cannot face further cuts if it is to function effectively.

In Sacramento, CDBG provides essential funding for our homeless programs, our economic development programs, our neighborhood centers, and our Human Rights and Fair Housing Commission. CDBG funds have also been used for major physical improvements to our target areas, neighborhoods abandoned by private investors. The CDBG program is the last remaining Federal Urban Aid program for low income, minority, handicapped, and other disadvantaged persons, and further cuts in CDBG cannot be construed as anything but cuts to basic services and improvements.

Finally, Sacramento expects to lose approximately \$5 million in general revenue sharing. This means that CDBG funds cannot be replaced through the City's General Fund. Consequently, we are faced with severe cutbacks to the programs and the neighborhoods which need these services the most.

I thank you for sharing Sacramento City's grave concerns about the CDBG deferrals at this important committee hearing.

Sincerely,

Anne Rudin
Mayor

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APPROVED
BY THE CITY COUNCIL

FEB 11 1986

OFFICE OF THE
CITY CLERK