



United States Senate

WASHINGTON, DC 20510-2202

May 5, 2005

Clerk Tonni L. Bartholomew
City of Troy
500 West Big Beaver Road
Troy, MI 48084

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CITY OF TROY
CITY MANAGER'S OFFICE

Dear Clerk Bartholomew:

Thank you for contacting me regarding the Community Development Block Grant program. I share your concern about the proposed elimination of this vital program, and I voted in favor of an amendment to the Fiscal Year (FY) 2006 Budget Resolution that would have retained the program.

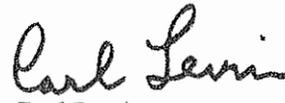
As you know, the Community Development Block Grant (CDBG) program is one of the Department of Housing and Urban Development's most successful programs. Its primary focus is to redevelop communities by helping to provide a decent living environment and expanding economic opportunities through grants to localities and states. In 2004, CDBG provided over \$147 million to low- and moderate-income communities in Michigan for community development projects.

In its Fiscal Year 2006 Budget, the Bush administration proposed eliminating CDBG along with over a dozen other economic development programs. Under the proposal, these programs would be replaced by a new program in the Department of Commerce that would receive \$3.7 billion in funding. This is a far cry from the \$4.7 billion alone that CDBG received in FY2005. As with so many items in the administration's budget, I was disappointed at the lack of commitment to programs vital to strengthening our nation and our communities.

On March 2, 2005, I joined with a bipartisan group of 54 Senators in sending a letter to the Senate Budget Committee requesting that they allow for at least \$4.7 billion for the CDBG program and that they retain the program at the Department of Housing and Urban Development. In addition, I was a cosponsor of an amendment to the FY2006 Budget Resolution (S.Con.Res.18) that would have increased the funding available for CDBG by closing a number of tax loopholes. Unfortunately, this amendment did not pass. However, a similar amendment by Senator Norm Coleman (R-MN), which I also supported, was passed by the Senate. The Senate passed the FY2006 Budget Resolution on March 17, 2005. This resolution is now before a House-Senate Conference Committee where the differences between the two versions of the budget must be reconciled.

I am committed to ensuring the availability of important community development programs in these tough economic times for our states and localities. I will continue to keep your views in mind as these issues come before the Congress.

Sincerely,


Carl Levin

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