CITY OF SAN ANTONIO

CHIP HAASS
COUNCIL MEMBER
DISTRICT 10

October 20, 2005

The Honorable Kay Bailey Hutchison
Member, United States Senate
284 Russell Senate Office Building
Washington, D.C. 20510

VIA FACSIMILE

Dear Senator Hutchison:

On behalf of the San Antonio City Council, and in my capacity as Chair of the Council Intergovernmental Relations Committee, I am writing to urge your strong support for a bipartisan amendment to the Transportation, Treasury, and Housing and Urban Development Appropriations bill that would provide increased funding for public housing and Community Development Block Grant (CDBG) programs.

If adopted, the amendment by Senators Norm Coleman, Patrick Leahy, Lindsey Graham, Paul Sarbanes and Jack Reed, would add an additional $200 million for the CDBG program, $200 million for the Section 8 Public Housing Voucher Program, and $200 million for the Public Housing Operating and Capital funds. The added funding would place CDBG funding at $3.967 billion, which is a reduction of approximately $100 million from the FY2005 funding level, and it would also cover a large shortfall in Section 8 housing vouchers.

For thirty years, cities like San Antonio have used CDBG grant funds to create jobs, provide affordable housing, eliminate blight, and generate new economic investment. In 2004, it helped create or retain over 90,000 jobs. It has also been a catalyst for creating more affordable housing, by assisting more than 11,000 households become new homeowners last year. CDBG has also helped rehabilitate nearly 19,000 rental housing units and more than 112,000 owner-occupied single family homes. And CDBG has been a mechanism for building public infrastructure by serving more than 9 million people in helping to build new or reconstruct public facilities, roads, fire stations, and water and sewer systems. Currently, ever $1 of CDBG funding leverages nearly $3 in other funding.

Beginning with San Antonio's first CDBG allocation in 1975 for $18.3 million, and including our current FY 2004 allocation of $17.4 million, the City of San Antonio has received and invested over $549 million in CDBG funds in our community. Over that time, our city has used these funds for many vital and needed projects:

CITY HALL / MAILING ADDRESS:
P.O. Box 839966
San Antonio, TX 78283-3966
PH: (210) 207-7276
FAX: (210) 207-7027
E-mail: district10@sanantonio.gov

- $88,755,375 of the funds was expended for infrastructure improvements, which include street and drainage improvements and the installation of sidewalks and curb ramps. Because of the CDBG investment in infrastructure, many of the flooding problems in the inner city have been addressed. Lives have been saved and millions of dollars in property damage have been avoided because of our partnership with the Department of Housing and Urban Development to fight the battle against our deteriorating inner city infrastructure.

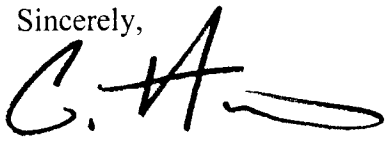
- $31,041,496 in CDBG funds was used to support Public Service Projects. These funds support childcare services, recreation activities, health care services, job training, neighborhood planning, code compliance and rezoning services. These programs provided options for childcare that were otherwise unavailable to low-income families. These programs also provide after-school and summer recreation activities for inner city youth as a viable alternative to unproductive behavior.

In communities across the country, there are countless success stories of how lives have been changed by the federal government's funding for public housing programs. For example, the Section 8 voucher program serves approximately two million low-income households, the vast majority of whom are working families with children, the elderly or the disabled. Housing vouchers were a Republican innovation that that has become the leading form of federal housing assistance. They enjoy partisan support because they allow families to secure housing in the private market, often in safer neighborhoods with better schools and access to jobs.

In San Antonio, $52,778,792 has been used to support our community's housing initiatives. The vast majority of our housing program funds were spent for Owner-Occupied Housing Reconstruction or Owner-Occupied/Tenant-Occupied Rehabilitation. The City identified target areas and addressed them one block at a time. As a result, large areas of the near West Side, the East Side, and the South Side of San Antonio have been converted from neighborhoods of last resort to neighborhoods of choice.

The examples I have highlighted in this letter are just a few of the successes we have been able to achieve with federal entitlement dollars. It is for that reason that the City of San Antonio urges you to support the highest possible funding levels for CDBG and public housing programs. We thank you for your leadership on behalf of the state and the citizens of San Antonio. Please feel free to call me should you wish to discuss this matter further or if we can provide you with any additional information.

Sincerely,



Christopher "Chip" Haass
Chair, Council Committee on Intergovernmental Relations

cc: Mayor Phil Hardberger
San Antonio City Council
Congressman Henry Bonilla
Congressman Henry Cuellar
Congressman Charlie Gonzalez
Congressman Lamar Smith