



**MAYOR'S OFFICE**  
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November 1, 2011

The Honorable Patty Murray  
U.S. Senate  
Washington, DC 20510

RE: FY12 Funding for CDBG and HOME

Dear Senator Murray:

As the chief elected official of the City of Bellingham, I am writing this letter on behalf of our community to ask you to support the House-recommended funding level of \$3.5 billion in formula funding for the Community Development Block Grant (CDBG) Program and \$1.2 billion in formula funding for the HOME Investment Partnerships Program in FY12.

Both CDBG and HOME provide vital funding to projects and services within our community that directly impact the lives of our low- and moderate-income citizens. The City recently celebrated \$6 million in loans to rehabilitate our single family housing stock, a program that was started in 1977. Our funding is used to reduce homelessness and provide case management services to victims of domestic violence. Our housing funds are used to provide new capacity to meet the needs of low-income, seniors and others, including assisting in obtaining housing for veterans.

I also want to assure you that your federal funds create opportunities for other funding. For every \$1.00 of CDBG and HOME funds allocated by the City, the activity sponsors raised another \$4.47 from other sources. The City also makes sure that CDBG and HOME funds for housing programs are loans that provide continued benefit in perpetuity or return the funds as income for new housing activities.

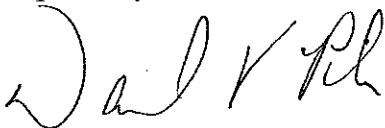
This combination of CDBG and HOME with other funding sources adds to our local economy and to the betterment of the lives of our citizens through improved neighborhoods and a better quality of life.

On behalf of my community, I also urge you to oppose the House-recommended provision in its FY12 Transportation-HUD bill to cut administrative funding for CDBG in half. Currently, CDBG communities can use up to 20% of the grant on administrative and planning costs. The House provision would slash this amount to 10% of the grant. Communities need the flexibility to use up to 20% of their grant to meeting the administrative and planning requirements of the program.

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I would also like to extend an invitation to you and your staff to tour our CDBG- and HOME-funded projects to see the benefits of both programs firsthand. We thank you, in advance, for your continued support of these valuable programs. Please feel free to contact me with any questions.

Respectfully,

A handwritten signature in cursive script, appearing to read "Daniel V. Pike".

Daniel V. Pike  
Mayor

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