

RES18-026

Wilmington, Delaware
April 5, 2018

#4505

Sponsor:

Council
Member
Dixon

Co-Sponsors:

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President
Shabazz

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Members
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WHEREAS, the City of Wilmington is an Entitlement Community for purposes of the Community Development Block Grant (CDBG), HOME Partnership Program (HOME), Emergency Solutions Grant (ESG) and Housing Opportunities for People with Aids (HOPWA) program; and

WHEREAS, the recently released Fiscal Year 2019 Budget of the United States Government proposes eliminating the Community Development Block Grant (CDBG), claiming that the program has not demonstrated sufficient impact to justify its continuing existence; and

WHEREAS, the CDBG program takes a place-based approach to community development and revitalization, allocating funds for affordable housing, job creation and social services directly to state and local agencies, who are better able to respond to local conditions than the federal government. Established in 1974 by President Gerald Ford, CDBG is one of the U.S. Department of Housing and Urban Development's (HUD) longest-running programs and has provided over \$144 billion nationwide to help communities address critical and unmet needs among low and moderate-income populations; and

WHEREAS, the City of Wilmington relies on CDBG funding to provide vital services to low and moderate-income residents, and its ability to continue providing those services would be severely hindered if the program were eliminated. Using CDBG funding during Fiscal Year 2017, the Department of Real Estate and Housing produced 14 homeownership housing opportunities; rehabilitated 44 housing units; provided housing options and services to 679 individuals experiencing homelessness; provided tenant-based rental assistance and

rapid rehousing services to 118 individuals experiencing homelessness; assisted 483 individuals needing overnight shelter; and served 2,534 individuals through public service activities designed to benefit low and moderate-income youth and families; and

WHEREAS, the loss of CDBG funds would be a devastating blow to the Department of Real Estate and Housing's ability to continue providing these important services to low and moderate-income residents. As reported in the City of Wilmington Annual Budget for Fiscal Year 2018, CDBG funds account for 36% of the Department's overall FY2018 budget. Without this source of funding going forward, the Department will likely face severe cutbacks in services and significant reductions in an already sparse staff; and

WHEREAS, the loss of CDBG would also negatively impact area nonprofits and services providers whose budgets are already stretched thin and who rely on grant funding to keep their doors open. The City's Fiscal Year 2018 budget includes \$851,285 in CDBG awards to 26 nonprofits and three programs that provide vital services, such as affordable housing, workforce development and youth engagement, to Wilmington residents in need; and

WHEREAS, if the CDBG program is eliminated, Wilmington's neediest residents will bear the brunt of the impact and will suffer the most from the loss of programs essential to the stabilization and revitalization of Wilmington's poorest neighborhoods.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF WILMINGTON, that Council hereby strongly implores the United States Congress to oppose the elimination of the Community Development Block Grant program as proposed by President Trump's Fiscal Year 2019 Budget of the United States Government.

Passed by City Council,
April 5, 2018

Attest: Maribel Seijo
City Clerk

SYNOPSIS: This Resolution urges the United States Congress to reject proposed budget cuts in the U.S. Fiscal Year 2019 budget that would completely eliminate the Community Development Block Grant (CDBG), a program that is essential to providing ongoing programs and services to Wilmington's neediest residents.