

## FUNDING FOR CRITICAL FEDERAL PROGRAMS

California 482 cities are home to approximately 30 million of the State's 38 million population. Our cities are expected to receive the majority of the projected 10 million increase in the State's population over the next 10 years. As California cities struggle during this economic downturn to provide services to residents and make plans to accommodate future population increases, maintaining full funding for federal programs to support these services is critical. These programs, which include the Community Development Block Grant (CDBG), the HOME Investment Partnerships program, Community Oriented Policing Services (COPS) program, the Byrne Justice Assistance Grants (Byrne/JAG) program, the Clean Water State Revolving Loan Fund (CWSRF), and the Formula Highway and Public Transportation programs continue to provide much-needed support in the federal-local partnership to create and maintain safe, vibrant and productive communities.

- **Community Development Block Grants (CDBG):** The need for CDBG funding in California has never been greater. CDBG grants provide critical funding for community development projects in California cities, which have been severely impacted by the national mortgage foreclosure crisis and State budget raids of California city redevelopment agencies. CDBG is a smart, long-term investment in our nation's communities. When fully funded, California cities receive over \$345 million annually to invest in our communities. For every \$1.00 of CDBG funds traditionally another \$3.00 in private and public investment is leveraged. This equates to over \$1 billion dollars being directed into areas hit hard by economic turmoil. These leveraged funds, along with CDBG, will help to spur the economic investment needed to revitalize the lagging economy.
  - **The City of Mountain View** used nearly \$400,000 in CDBG funding to advance the Downtown Family Rental Project, which developed and rehabilitated green and sustainable affordable housing in the community.
  - **The City of Lancaster** directed over \$1.3 million in CDBG funding to fund the rehabilitation of owner and/or renter-occupied residences for extremely low to moderate-income households, the elderly, and the physically disabled.
- **HOME Investment Partnership Program (HOME):** HOME provides formula grants to states and localities that communities use to fund a wide range of activities that build, buy, and/or rehabilitate affordable housing for rent or homeownership or provide direct rental assistance to low-income people. Enacted in 1990 to provide resources to communities to provide decent, safe and affordable housing opportunities for low- and moderate-income persons, HOME recently celebrated the completion of one million units of affordable housing.

- **The City of Bakersfield** utilized \$3 million in HOME funds to begin construction of 70 units of low income housing in LEED certified buildings at its new City Place development. The buildings contain 35 three-bedroom units suitable for large families plus 24 two-bedrooms, and 10 one-bedrooms. All major shopping, schools and recreational amenities are located within a relatively short distance of the complex. It has excellent access to public services and transit. The redevelopment project will generate 156 new full time equivalent jobs.
- **The City of San Diego** utilized \$2.3 million in 2010 HOME funds to develop approximately 40 units of affordable rental housing through acquisition with rehabilitation and new construction.
- **Community Oriented Policing Services (COPS) and Byrne Justice Assistance Grants (JAG):** The COPS and Byrne/JAG programs have been important resources to California cities as we work to maintain community safety. Through these programs California cities have been able to hire and/or rehire full-time officers as well as maintain crime prevention programs to increase community policing capacity at a time when local government budgets are unable to independently support these needs. Maintaining safe communities is vital to local efforts to attract and retain business, increase economic activity and contribute to national economic recovery. Over \$60 million in COPS hiring awards and over \$30 million in Byrne-JAG funding was allocated to California local governments in FY 2010, which our cities will fully utilize to implement our public safety initiatives and protect our communities. However full funding must be maintained for these important public safety programs to continue.
  - **The City of Modesto** is utilizing its \$236,000 2009 Byrne/JAG grant to offset police overtime costs, maintain a full police and community safety force and implement much needed technology upgrades.
  - **The City of Riverside** used over \$300,000 in 2009 COPS hiring funding to pay salaries for a computer forensics detective, support staff for Special Operations, a Police Record Supervisor and three Police Record Specialists.
- **Clean Water State Revolving Loan Fund (CWSRF):** Functioning, reliable and affordable access to water must be provided if California is to maintain service to existing residents and businesses and attract new ones to help us become more productive and economically competitive. However California's local governments lack the resources to independently finance repairs to or replacement of these aged and oversubscribed systems that support the world's eighth largest economy. The CWSRF is the only federal funding source available to local governments to assist with water and wastewater infrastructure repairs and upgrades. This funding is desperately needed in cities throughout California, as there has been almost no new investment in California's water and wastewater systems in more than 30 years. In FY 2010 EPA directed over \$146 million in CWSRF funding to California to provide low-interest loans to assist with these efforts, which, combined with existing revolving loan funds funded 21 new infrastructure projects in communities across the

State. Much more remains to be done to meet California's \$26.6 billion in annual water infrastructure needs, however full funding for the CWSRF would significantly improve our ability to meet these needs and would create construction jobs in the process. Beyond these benefits, the CWSRF provides a \$2.31 return for every federal dollar invested in the program.

- **Fresno Metropolitan Flood District Project:** The project consists of 16 project elements at 16 sites within the City of Fresno. Construction of essential storm water conveyance and recycling facilities in Fresno's urban core will: 1) address public safety and environmental problem caused by local flooding and lost opportunities for groundwater recharge; 2) eliminate connectivity between sanitary sewer and storm sewer systems to reduce inputs to the regional sewer treatment plant; 3) treat collected surface water prior to infiltration to the regional aquifer; and 4) recycle non-potable surface water for landscape irrigation to save municipal potable water for higher uses. Total CWSRF Loan: \$3.9 million
- **Santa Monica Bay Low Flow Diversion Upgrades Project:** This project removed bacteria and other pollutants from urban runoff to keep them from reaching Santa Monica Bay. The project upgraded Low Flow Diversion (LFD) systems in six areas to increase capacity and system reliability, allowing the LFDs to function year round. Previously the LFDs operated during only the spring and summer months only, which resulted in significant urban runoff pollution in the Bay. Total CWSRF Loan: \$4.36 million
- **Formula Highway and Public Transportation Funding:** California has more than 186,000 miles of roadway and one of the most developed transit systems in the nation. California's cities and their agencies are responsible for administering the local streets and roads that connect with the State and federal highway system, a total of 82% of the total roadway miles in the State, as well as operating municipal public transportation systems throughout the State. The U.S. Department of Transportation (DOT) steers billions of dollars to California's MPOs and transportation agencies to assist with roadway maintenance and improvement projects, as well as expansion of public transportation systems. Full funding for these programs must be maintained in federal surface transportation reauthorization legislation and maintained in subsequent annual appropriations legislation.
  - **SamTrans** used its 2010 federal formula transit funds to purchase 135 new buses, the first addition to its fleet in seven years. The modern vehicles require less maintenance and use the latest clean-diesel technology, which produces far less pollution.
  - **OCTA** has consistently utilized its annual Urbanized Area Formula program funding for bus replacement and service expansion, as well as for transit capital needs and preventative maintenance.