

**UNITED STATES HOUSE OF REPRESENTATIVES
HOUSING AND COMMUNITY OPPORTUNITY
SUBCOMMITTEE HEARING**

APRIL 12, 2006

GOOD MORNING, MY NAME IS HAROLD HOFMANN, AND I AM PLEASED TO BE HERE REPRESENTING THE COMMUNITY OF LAWNSDALE. I AM HERE TO DISCUSS WHAT CDBG FUNDS DO FOR LAWNSDALE, HOW THOSE FUNDS ARE USED TO SUPPORT AND ENHANCE OUR CITY, AND WHAT IT WOULD MEAN IF THOSE FUNDS WERE TO BE CUT, OR WORSE, TAKEN AWAY COMPLETELY. I HOPE THAT THIS TESTIMONY WILL ALLOW THE SUBCOMMITTEE TO SEE THE GREAT THINGS CDBG DOES FOR THIS COMMUNITY AND ALLOW YOU TO DISCERN WHY IT IS NECESSARY TO STOP CUTS IN CDBG FUNDING.

LAWNSDALE IS A COMMUNITY OF APPROXIMATELY 31,000 RESIDENTS THAT IS STRATEGICALLY LOCATED IN WHAT WE AFFECTIONATELY CALL, THE "HEART OF THE SOUTH BAY." AS IS THE CASE WITH MANY OF CALIFORNIA'S CITIES, LAWNSDALE'S FINANCIAL RESOURCES ARE SEVERELY LIMITED. THIS IS SHOWN IN THE TWO LARGEST AREAS FOR GENERATING REVENUE: PROPERTY AND SALES TAX. IN 1978, WHEN CALIFORNIA'S PROPOSITION 13 WAS PASSED, LAWNSDALE WAS A CITY THAT HAD NO PROPERTY TAX. TODAY, THE CITY RECEIVES A VERY SMALL PERCENTAGE OF WHAT ITS RESIDENTS PAY IN PROPERTY TAXES AND MUCH LESS THAN THE AVERAGE CALIFORNIA CITY'S

PORTION. ADDITIONALLY, WITH ITS SMALL SIZE OF APPROXIMATELY 1.9 SQUARE MILES, LAWNSDALE DOES NOT HAVE A GREAT DEAL OF RETAIL DEVELOPMENT AND THEREFORE DOES NOT RECEIVE MUCH SALES TAX. BECAUSE OF THESE FACTORS, THE CITY OF LAWNSDALE MUST RELY ON OTHER FUNDING SOURCES, INCLUDING CDBG, TO PAY FOR MANY OF THE PROGRAMS IT OPERATES.

LAWNSDALE IS A COMMUNITY THAT HAS BEEN PARTICIPATING IN CDBG SINCE ITS INCEPTION 32 YEARS AGO. THIS FUNDING HAS BENEFITED THE COMMUNITY IN MANY WAYS. HOWEVER, IN RECENT YEARS, DUE TO FUNDING DECREASES, CITY STAFF HAS NOT HAD THE ABILITY TO FUND OR IMPLEMENT ANY NEW PROJECTS, AND HAS HAD TO WORK HARD TO SUSTAIN CURRENT PROJECTS. IN THE PAST, TO DETERMINE WHAT PROGRAMS THE CITY WAS ABLE TO PROVIDE, STAFF GENERALLY RECOMMENDED CONTINUING EXISTING CDBG FUNDED PROGRAMS THAT PROVIDED THE MOST BENEFIT TO QUALIFIED RESIDENTS. WHEN A CDBG PROJECT WAS COMPLETED, OR ADDITIONAL CDBG FUNDS WERE MADE AVAILABLE, STAFF RECOMMENDED THE IMPLEMENTATION OF NEW PROJECTS. THIS WAS ACCOMPLISHED THROUGH A REQUEST FOR PROPOSALS TO IMPLEMENT NEW CDBG FUNDED PROJECTS. THIS HAS NOT HAPPENED IN SOME TIME, AND THE CITY HAS BEEN USING ITS DWINDLING CDBG FUNDS TO SUPPORT THE SAME PROGRAMS YEAR IN AND YEAR OUT.

MOST RECENTLY, FUNDING HAS GONE TO AN ITEM THAT IS CONSIDERED EXTREMELY IMPORTANT, AND HAS BECOME A NECESSITY. THE PREVIOUSLY NOTED STRATEGIC LOCATION OF LAWNSDALE IN THE HEART OF THE SOUTH BAY HAS CAUSED, AND WILL CONTINUE TO CAUSE, A SIGNIFICANT NUMBER OF VEHICLES AND LARGE AMOUNTS OF TRAFFIC; WHICH ARE GENERATED BY LAWNSDALE'S LARGER SURROUNDING NEIGHBORS. BECAUSE OF THIS, LARGE PORTIONS OF LAWNSDALE'S CDBG FUNDS GO TO IMPROVE AND MAINTAIN ITS 22 MILES OF STREETS AND TO MAKE ITS SIDEWALKS A.D.A. COMPLIANT AND MORE ACCESSIBLE TO RESIDENTS AND VISITORS ALIKE. IN RECENT YEARS, CDBG FUNDING HAS ALSO BEEN USED FOR PROCUREMENT AND ADVANCES FOR LAWNSDALE'S SENIOR CITIEZEN POPULATION, WITH GOALS OF CREATING NEW SENIOR FACILITIES. THESE FUNDS ARE CURRENTLY USED TO SUPPORT THESE SENIORS WITH A NUTRITION PROGRAM, PROVIDING DAILY MEALS AT REDUCED, AND OFTEN, NO COST. OTHER PROGRAMS CURRENTLY FUNDED THROUGH CDBG INCLUDE RESIDENTIAL REHABILITATION AND GRAFITTI REMOVAL. THESE PROGRAMS ALLOW FOR THE COMMUNITY OF LAWNSDALE TO CONTINUE TO APPEAL TO AND ATTRACT FAMILIES, AND MOVE AWAY FROM BLIGHTED CONDITIONS.

AS YOU MAY BE AWARE, THE FEDERAL GOVERNMENT HAS BEEN CUTTING FUNDING TO CDBG OVER THE YEARS, WITH FUNDING FOR CDBG

DECREASING SIGNIFICANTLY OVER THE PAST THREE YEARS. IF FUNDING IS CUT FURTHER FOR LAWNSDALE'S CDBG PROGRAMS, ITS RESIDENTS WILL BE AFFECTED IN IMMEASURABLE WAYS. CUTS IN THIS TYPE OF FUNDING WILL HARM THE CITY'S CONTINUED SUCCESS IN THE PROGRAMS IT CURRENTLY PROVIDES. THE CITY WOULD NEED TO SEEK OTHER FUNDING FOR PROGRAMS, BUT WOULD LIKELY BE FORCED TO ELIMINATE MANY OF PROGRAMS THAT PROVIDE SO MUCH FOR OUR RESIDENTS.

I WOULD LIKE TO TAKE THIS OPPORTUNITY TO THANK THE SUBCOMMITTEE FOR ALLOWING ME TO SPEAK TODAY ON BEHALF OF THE COMMUNITY OF LAWNSDALE. I URGE YOU TO USE WHAT YOU HAVE HEARD TODAY AND DO ALL YOU CAN TO STOP ANY REDUCTION OR ELIMINATION OF FUNDING FOR CURRENT AND FUTURE CDBG PROGRAMS.