

Community Development Corporations Statement
Subcommittee Hearing on HR 3974
September 17, 2002

Thank you Madame Chair. Thank you Congresswoman Tubbs-Jones for sponsoring this important legislation, and for arranging this subcommittee hearing today. I am encouraged to see so many of you here who share our concern and commitment to our communities and the future of our communities.

Just last week, during the Congressional Black Caucus' Annual Legislative Conference, Congresswoman Tubbs-Jones and I cosponsored a forum on community development corporations. We brought in community groups from our districts and around the country to learn more about the progress they are making in building better and more livable communities and to hear more about their real and growing need for both technical and financial assistance.

Providing this assistance and passing this legislation is essential because community development corporations have the community presence, networks, and leadership building capacity enabling neighborhoods to plan and monitor for developing livable communities. CDCs are in a position to promote greater community awareness about the importance of housing, education, early childhood development, and economic healing.

By using "two-generation approaches" to the more vulnerable families in the community, paying close attention to school readiness strategies and outcome indicators; and leading or participating in strategic community planning for young children and families cdc's and policy makers end the cycle of poverty throughout our neighborhoods. We strengthen communities and build for their futures through their youth.

Community development corporations are increasingly asked to undertake housing and business development projects and provide extensive social services in distressed and neglected neighborhoods. Funding is intensely technical and requiring many times ten to fifteen different funding sources for programming. Imagine the complexity of each funding source: measuring federal and state tax credits, balancing some of them multi-year, establishing equity and debt sources, and sifting through a variety of federal, state, and local funds.

Very little of the \$15 billion the federal government invests in community revitalization is distributed for technical assistance to build capacity of practitioners operating in low-income distressed communities. The vast majority

of the funds are distributed through tax credits to investors or to government entities primarily for project support. The greater part of federal community revitalization programs have no technical assistance or capacity building funds.

Understanding of these technical-funding streams and how to manage them is difficult for groups weighing their community's needs and their organization's limits. H.R. 3974 is a good step in helping those who help so many others. That's why I am proud to be a cosponsor of H.R. 3974, the Community Economic Development Expertise Enhancement Act.

I look forward to this discussion and moving HR 3974 out of committee and onto the House floor. Ending homelessness, supplying the tools for access to health care and end of life care, building on our communities of faith, and linking and strengthening communication between people and policy makers are just a few of my goals. By working together and strengthening our commitments to our communities and the organizations that serve them best we can and will succeed in achieving our goals.

Thank you-