

U.S. House of Representatives
Committee on Financial Services
Subcommittee on Housing and Community Opportunity Field Hearing
Community Development Block Grants (CDBG)
The Impact of CDBG on Our Communities
Testimony of Brenda Shockley
April 12, 2006
Los Angeles, California

Thank you, Chairman Ney, Congresswoman Waters, and other honorable Members of the Subcommittee for allowing me to testify today on the impact of the Community Development Block Grant (CDBG) Program on communities in South Los Angeles. My name is Brenda Shockley. I am, and have been the president of Community Build, Inc. (Community Build), a nonprofit community development corporation, for approximately 14 years. Community Build was among those organizations established in response to the 1992 Los Angeles Civil Unrest. Community Build has a dual mission: revitalization of our community through human investment and commercial economic development. Community Build is committed to empowering our communities through commercial and housing development; and our young people by investing, training, and equipping them with the skills, resources, confidence and encouragement they need to become self-sufficient participants in community development.

My general comments echo those of most local governments and community development advocates and organizations: The proposed 27% cut in CDBG funding, in addition to the prior years' annual cuts, will make it even more difficult to administer effective programs to add new and sustain existing jobs, provide decent affordable housing in safe neighborhoods, and to provide needed public services. The proposed formula changes, coupled with the elimination of the Brownfields Economic Redevelopment Initiative, Rural Housing and Economic Development, and Section 108 Loan Guarantees, will further reduce funding for one of the most flexible and highly leveraged federal resources.

That said, I am here today to put a face on the type of organizations, programs and communities that have significantly benefited from both direct and indirect CDBG funding. Community Build's initial funding, in 1993, was a \$ 3 million CDBG "Emergency Assistance" grant in the aftermath of the Civil Unrest. That funding was matched by \$1.5 million in State funding, and was used to provide employment training services to youth and young adults, and partially finance the development of 24,000 sq.ft. commercial development in Leimert Park on a site that had been destroyed. That development has spurred further development in Leimert Park, and revitalized the commercial village with office space, restaurants, coffeehouse and theatre. Direct CDBG funding also strengthened Community Build's organizational capacity. In addition to the commercial development in Leimert Park, Community Build has developed a 9,000 sq.ft. youth center that has served over 12,000 youth and young adults since 1994, and annually serves a minimum of 1200 youth and young adults.

Testimony of Brenda Shockley
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Page 2

Community Build has also received CDBG funding indirectly, through the City of Los Angeles. Community Build strives to provide a one-stop environment to youth and their families. As a result, we access CDBG funds each and every day: whether it is a referral to a homeless shelter, housing rehabilitation, homeownership assistance, nuisance abatement, or the targeted neighborhood initiative. By way of example, Community Build provides “safe passage” to the youth in our gang prevention middle school program, LA Bridges, through LA Bridges II, which is funded by CDBG. We are slated to provide gang prevention and intervention in an expanded geographic area using CDBG funding. We partner with Jenness Center, a domestic violence prevention organization that is funded by CDBG; our youth participate in programs at the Youth Media Technology Training Program that is funded by CDBG; Community Build refers students and their families to the Rita Walters Learning Complex on Manchester and Vermont, and to the Youth and Family Centers/Family Development Networks in our community, both funded by CDBG.

CDBG funding, especially the 108 loan program, is critical “glue” for some projects, and critical leverage for others. The flexibility of the funding allows organizations like Community Build to access conventional bank financing by “blending” rates to make debt service manageable. The Brownfields program is particularly important to communities such as ours that have experienced long-term disinvestment, leaving potential development sites with toxic materials. Community development and revitalization require as many tools as possible. CDBG funding is one of the most effective tools for turning around neighborhoods, and turning around lives. For organizations such as Community Build, decreasing these resources and eliminating important programs such as Brownfields, will not only be crippling, it will be devastating. Thank you for the opportunity to offer testimony and urge you to restore the CDBG programs and funding.

Respectfully submitted,
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