April 18, 2018

The Honorable Susan Collins  
Chair 
Subcommittee on Transportation 
Housing and Urban Development 
And Related Agencies 
Senate Committee on Appropriations 
Washington, D.C. 20510

The Honorable Jack Reed  
Ranking Member 
Subcommittee on Transportation 
Housing and Urban Development 
And Related Agencies 
Senate Committee on Appropriations 
Washington, D.C. 20510

Dear Chair Collins and Ranking Member Reed:

We write to respectfully request that as your Subcommittee works to complete its FY 2019 Transportation, Housing and Urban Development, and Related Agencies appropriations bill, you support a funding level of $40 million for the Department of Housing and Urban Development’s (HUD) Section 4 Capacity Building for Community Development and Affordable Housing Program.

The Section 4 Program allows HUD to partner with national nonprofit community development organizations to provide education, training, and financial support to local community development corporations (CDCs) across the country. Section 4 funds are required by law to be matched 3:1 with private investments, but program funds have consistently leveraged substantially higher amounts. For each dollar of Section 4 funding, a total of $20 or more in private investment has been brought into local communities for economic and community development. From 2013 to 2017, Section 4 helped 935 local CDCs nationwide leverage approximately $7.5 billion for community and economic development and helped to build or preserve more than 41,000 homes in low-income neighborhoods. Since the Program’s inception, Section 4 has benefitted all 50 states and the District of Columbia. The targeted federal investments made through Section 4 attract and accelerate private sector involvement and funding into critical local community development projects.

We are disappointed that the President’s budget has slated this program for elimination after decades of successful economic and community development. Since the HUD Demonstration Act was authorized in 1993, Section 4 has proven to be a valuable and cost-effective program that has produced tangible results. Through a nationwide support network, Section 4 provides programmatic and training assistance to local organizations, ensuring program goals are met while granting the necessary flexibility to meet community-specific needs. As communities across the country continue to look for ways to expand economic development and provide affordable housing, funding for Section 4 remains critically important.

As the Subcommittee works through the process of determining how to effectively appropriate federal funds, it is our hope that you will continue your support for Section 4 in FY 2019. We thank you for your consideration.

Sincerely,
Joe Donnelly
United States Senator

Amy Klobuchar
United States Senator

Edward J. Markey
United States Senator

Robert Menendez
United States Senator

Dianne Feinstein
United States Senator

Mark R. Warner
United States Senator

Sheldon Whitehouse
United States Senator

Gary C. Peters
United States Senator

Chris Van Hollen
United States Senator

Joe Manchin III
United States Senator
Ron Wyden
United States Senator

Jeanne Shaheen
United States Senator

Margaret Wood Hassan
United States Senator

Heidi Heitkamp
United States Senator

Brian Schatz
United States Senator

Richard Blumenthal
United States Senator

Tammy Baldwin
United States Senator

Catherine Cortez Masto
United States Senator

Elizabeth Warren
United States Senator

Tammy Duckworth
United States Senator

Christopher S. Murphy
United States Senator

Kirsten Gillibrand
United States Senator
Debbie Stabenow  
United States Senator

Tina Smith  
United States Senator

Maria Cantwell  
United States Senator

Angus S. King, Jr.  
United States Senator

Cory A. Booker  
United States Senator

Jon Tester  
United States Senator

Sherrod Brown  
United States Senator

Mazie K. Hirono  
United States Senator

Chris Coons  
United States Senator

Benjamin L. Cardin  
United States Senator
Bernard Sanders  
United States Senator

Kamala D. Harris  
United States Senator

Martin Heinrich  
United States Senator

Robert P. Casey Jr.  
United States Senator

Jeffrey A. Merkley  
United States Senator

Tim Kaine  
United States Senator

Richard J. Durbin  
United States Senator

Thomas R. Carper  
United States Senator

Todd Young  
United States Senator