

Loeb sack, Boswell, Braley call for an immediate release of \$30 million in disaster funds

Today, Congressman Dave Loeb sack (IA-02), Congressman Leonard Boswell (IA-03), and Congressman Bruce Braley (IA-01) sent a letter to Steve Preston, the Secretary of the U.S. Department of Housing and Urban Development (HUD) requesting that \$30 million in held-up disaster aid be immediately released. This funding, when released, can be used for much needed Community Development Block Grants (CDBG), to support local efforts to recover and rebuild from the devastating floods.

Washington, DC - Today, Congressman Dave Loeb sack (IA-02), Congressman Leonard Boswell (IA-03), and Congressman Bruce Braley (IA-01) sent a letter to Steve Preston, the Secretary of the U.S. Department of Housing and Urban Development (HUD) requesting that \$30 million in held-up disaster aid be immediately released. This funding, when released, can be used for much needed Community Development Block Grants (CDBG), to support local efforts to recover and rebuild from the devastating floods.

"Communities, residents, and businesses affected by the floods need assistance; it is totally unacceptable that any disaster relief is being withheld from the people of Iowa," said Congressman Loeb sack. "The \$2.65 billion in disaster assistance approved by Congress and signed into law is critical to our state's recovery. By immediately releasing this funding, this assistance can quickly be distributed to provide individuals and businesses with the security to rebuild, and communities with the support necessary to recover from this disaster."

"CDBG funds can quickly help cities rebuild," added Congressman Boswell. "Releasing these funds now will help Iowans rebuild from a devastating loss. We want to work with our partners on the federal level, and appreciate what they have done so far, and we strongly encourage them to work with us."

"The floods of 2008 have caused unprecedented damage in Iowa, and it is essential that disaster assistance funding goes directly to the impacted communities as quickly as possible. I was glad to help pass the initial \$2.65 billion in disaster relief funding, but I have been disappointed to learn that some of this funding is being held up. We strongly urge the release of this funding, so that Iowa families, communities, and businesses can continue to rebuild," noted Congressman Braley.

On June 19th of this year, the House passed \$2.65 billion in disaster assistance for the Midwestern states affected by the record floods. Included in this funding was \$300 million to be used for Community Development Block Grants. However, the Office of Management and Budget (OMB) has failed to release this funding to the U.S. Department of Housing and Urban Development (HUD), which in turn has prevented it from helping Iowans affected by the floods.

In response to this recent discovery, Congressmen Loeb sack, Boswell, and Braley jointly wrote a letter to the Secretary of HUD requesting that \$30 million in Community Development Block Grants be immediately released to Iowa, upon the agency's receipt of the \$300 million from OMB.

Once released, this \$30 million in Community Development Block Grants can be used to support state and local government-directed neighborhood revitalization, housing rehabilitation, and economic development activities. Eligible CDBG activities include historic preservation; property demolition, site preparation and disposition; economic development and job creation, including assistance to for-profit entities and establishment of revolving loan funds; housing assistance, including rehabilitation loans and grants; public service activities, including job counseling and employment training; and assistance to not-for-profit entities, including community development corporations and faith-based institutions.

Please find a copy of the letter sent to the Secretary of HUD below.

July 31, 2008

The Honorable Steve Preston

Secretary

Department of Housing & Urban Development

Washington, D.C. 20410

Dear Secretary Preston:

The severe flooding and tornadoes that struck the Midwest in late May and early June have taken a devastating toll on Iowa's communities. To date, the Governor of Iowa has issued emergency declarations for 86 of 99 Iowa Counties and the President has declared 80 of those counties Major Disaster Areas.

The fiscal year 2008 Supplemental Appropriations Act enacted on June 30th provided \$2.65 billion in emergency funding to meet critical needs associated with these disasters. Those funds are already being used to assist families and initiate economic recovery across the entire region. However, the unprecedented property damage in Iowa requires accelerated action.

We are writing to request that you immediately release a portion of the \$300 million that was included in the Supplemental Appropriations Act for Community Development Block Grants to provide for housing repairs, business assistance, infrastructure reconstruction and other public service needs in Iowa. Although we appreciate the work that HUD is doing to assess the full extent of damages before releasing these funds, the overwhelming impact of these disasters on Iowans is already clear and cannot be overcome without immediate federal assistance.

Housing and economic recovery are especially urgent issues. Over 32,000 people were displaced during the flooding which covered over 45,000 square miles leading to what will be the worst natural disaster in Iowa's recorded history. Providing our State and local governments with the flexible funding provided through the Community Development Block Grant program is essential to our State's recovery strategy.

Thank you in advance for your prompt consideration of this request.

Sincerely,

Leonard L. Boswell

Member of Congress

Bruce Braley

Member of Congress

Dave Loebsack

Member of Congress