

Ways & Means Committee Minutes

Honorable Council
City of Newark, Ohio
August 28, 2013

The Ways and Means Committee met Monday, August 26, in Council Chambers following the Service Committee, with these members in attendance:

Carol Floyd, Chair Doug Marmie
Bill Cost, Jr.

We wish to report:

1. **Resolution No. 13-77**, urging the Ohio Congressional Delegation to oppose further cuts in Federal Community Development Block Grant Funding was considered.

Mr. Guthrie- I really appreciate the opportunity to present this to the Ways and Means Committee. The resolution is pretty self-explanatory but there are a couple of things I would like to highlight. One is the urgency of us expressing ourselves on this. The U.S. House of Appropriations Committee in June actually passed a 50% cut to Community Development Block Grant funding. As you know and is sited in the resolution their number varies in particularly with use these funds for including Brownfield assessment, emergency repairs, and assist citizens with fair housing issues. It is actually a longer list than what I had provided Mr. Sassen to draft this and I think Mr. Mauter will expand with some comments on this. We have already absorbed a 21% cut in Community Development Block Grant funding. Of course a good portion of this funding is directed toward our abating poverty and I do know that we are using some of these funds for our downtown improvement effort with the CIC. I think it is really important for us as a community to speak out as Council did regarding the local government funds. Basically let Senator Brown, Senator Portman and Representative Tiberi know that as a community we are at a stage where we can't absorb further cuts. I do know that the President's budget included a 6% cut and as I said the House of Appropriations Committee passed a 50% cut and I believe the Senate is trying to keep at status quo which of course would be certainly the best we could ask for.

Law Director- First, I apologize for the verbosity in the resolution Mr. Guthrie but that is what I do. Second, we did not discuss this you did not mention the issues pending in Washington I didn't put an emergency clause in there I don't know if you wanted that or not.

Mr. Guthrie- actually I think it might be time Congress gets geared back up, I would be glad to do whatever the Committee wants to do on that. I think that it

probably could justify the emergency clause; I'd be pleased with whatever we could get here.

Director Mauter- I also obvious want to support this resolution. The Community Development Block Grant funds are the main funding source for this community to do economic and community development in the City of Newark. That funding drives most if not many or all the programs that are listed in this resolution that you have before you. This funding is also designed to aid and assist the low to moderate income people in our community which I think is vitally important as well. As Marc mentioned since 2010 the City of Newark has realized a 21% reduction in funding and that ultimately equates to reduced services to the residents of our city. I don't think that Mark mentioned but it is prominent in the resolution that at this time or before Congress recessed for its' summer break the House of Representatives were proposing a 50% cut in CDBG funds, the Senator had a small increase proposed. So there is quite a wide split between the House and Senate of Congress right now. I guess in closing I would also like that Council supports this resolution because it is an economic drivers for our city.

Mr. Guthrie- I think that I should probably mention and I think that I forgot this and correct me if I am wrong, I believe our current allocation of Community Development Block Grant funds is about \$731,000.00 so you can imagine what a 50% cut would be to our community.

Mr. Marmie- I am going to support passing this on to Council, I believe that anything like this deserves the full Council vote. I am not saying that I am going to be in support of it completely, I have my pros and cons. It is always one of those things that if you don't cut it from here where are they going to cut from us somewhere else. I will look into that a little further but I believe it definitely warrants moving on to full Council to let everybody have a voice on this. I might even be in full support of it at that time also. With that he made a motion to pass it on to full Council.

**Motion to pass on to full Council by Mr. Marmie, second by Mr. Cost
Motion passed by a 3-0 vote.**

Carol Floyd, Chair