

Statement by the National Foreclosure Prevention and Neighborhood Stabilization Task Force

National Task Force of Concerned Organizations Urges Congress to Add Neighborhood Stabilization Funding to the U.S. House and Senate Conference Committee Bill

“In 2008, approximately two million families faced the devastating impacts of foreclosure — and at least as many foreclosures are anticipated this year and next.

The members of the National Foreclosure Prevention and Neighborhood Stabilization Task Force believe it’s time to make immediate fixes to our housing infrastructure to create jobs now and get our communities back on track. The Task Force — a cross-industry group of nearly 100 local and national organizations concerned about the foreclosure crisis’ impacts on communities — encourages the addition of \$4 billion to the American Recovery and Reinvestment Act of 2009 for the Neighborhood Stabilization Program (NSP) that will help state, county and city efforts to meet the overwhelming and growing need to rehabilitate vacant and foreclosed properties — providing thousands of new jobs for rehab contractors and home builders — and to resuscitate our communities.

Yet, the \$2.25 billion slated to expand NSP was cut from the Senate version of the Act, further threatening our communities and their ability to recover from the foreclosure crisis. As a result, a “Dear Colleague” letter originated by Representative Maxine Waters (D-Calif.), Chairman of the Financial Services Subcommittee on Housing and Community Opportunity will be issued today sharing Members’ concerns and encouraging the House and Senate to add the NSP funding back into the conference bill, which will enable state and local governments to work with local nonprofits to acquire, construct and rehabilitate affordable housing and provide rental assistance to families in need.

Why is this NSP funding so critical?

- **The NSP helps communities hit hardest by foreclosures gain desperately needed economic stability.** Expending neighborhood stabilization funds will allow communities to purchase and rehabilitate an additional 80,000 vacant, often blighted properties. Those properties will pay approximately \$132 million in property taxes annually and generate an additional \$6.78 billion in economic activity nationwide. It also will save localities nearly \$797 million in costs ranging from trash removal, grass cutting, and boarding up vacant properties to more serious problems of vandalism, increased property and personal crime rates and arson.

- **The NSP expansion will generate immediate construction activity creating more than 63,000 high-quality jobs in skilled and unskilled trades.** Most of the jobs will be generated in the low- and moderate-income neighborhoods where they are needed the most. Jobs created through NSP will provide permanent transformative skills and trades.

“The Neighborhood Stabilization Program is a vital tool that must continue to be available to local governments. This program clearly helps stimulate the economy by creating jobs,

stabilizing neighborhoods in distress and generating tax revenue,” said Representative John Olver (D-Mass.), chairman of the House Subcommittee on Transportation, Housing and Urban Development, and Related Agencies. “At a time when state and local budgets are under severe stress, we should be increasing the number of options available to our cities, not reducing them.”

“The Neighborhood Stabilization Program is essential for the repair of communities that have been ravaged by foreclosures,” said Representative Waters. “NSP funding enables neighborhoods with abandoned and foreclosed properties — especially minority and low-income neighborhoods — to prevent and recover from blight, increased crime, decreased safety and reduced property tax revenue.”

As the foreclosure crisis and larger economic crisis expand, families and the communities in which they live urgently need these resources to create solutions that will put them back on solid ground.

Let’s give America’s families and their neighborhoods the tools they need for a strong and lasting recovery.”

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The following members have signed on to the above statement:

Alabama Multifamily Loan Consortium
CDFI Coalition
Center for American Progress Action Fund
Citizens’ Housing and Planning Association (Massachusetts)
City of Bath, Maine
City of Milwaukee, Wisconsin
Consumer Federation of America
Diamond State Community Land Trust (Delaware)
Enterprise Community Partners, Inc.
Greater Metropolitan Housing Corporation (Minnesota)
Habitat for Humanity International
Housing Assistance Council
Housing Partnership Network
Interfaith Housing Alliance, Inc.
Local Initiatives Support Corporation
Los Angeles County (California)
Low Income Investment Fund
Mercy Housing
Miami – Dade County (Florida)
National Alliance of Community Economic Development Associations
National Association for County Community and Economic Development
National Association of Affordable Housing Lenders
National Association of Counties
National Association of Housing and Redevelopment Officials

National Association of Local Housing Finance Agencies
National Community Land Trust Network
National Coalition for Asian Pacific American Community Development
National Community Reinvestment Coalition
National Community Revitalization Alliance
National Council of La Raza
National Housing Conference
National Housing Institute
National League of Cities
National Low Income Housing Coalition
National NeighborWorks Association
National Policy and Advocacy Council on Homelessness
National Urban League
National Vacant Properties Campaign
NCB Capital Impact
Neighborhood Lending Partners of Florida
New Jersey Community Capital
North Carolina Community Development Initiative
Opportunity Finance Network
Policy Link
Rebuilding Together
Sacramento Housing Alliance (California)
Self – Help
Sioux Empire Housing Partnership (North Dakota)
Smart Growth America
U.S. Conference of Mayors
Wisconsin Partnership for Housing Development, Inc.