

Statement by the National Foreclosure Prevention and Neighborhood Stabilization Task Force

Task Force Requests \$2.25 Billion in Neighborhood Stabilization Funds to be Included in the American Recovery and Reinvestment Act

Dear Senators:

The Neighborhood Stabilization Program is a vital tool that provides economic stability to communities suffering from high rates of foreclosure. With approximately 2 million foreclosures across the country in 2008 and more than 2 million expected in each 2009 and 2010, additional funds that can quickly get our communities back on track are needed now more than ever.

We ask that no less than \$2.25 billion for the Neighborhood Stabilization Program be included in H.R. 1 to help state, county and city efforts to meet the overwhelming and growing need to rehabilitate vacant and foreclosed properties and to resuscitate our communities.

Thanks to the funding provided in the HERA bill, many communities across the country have already created partnerships amongst the state, local, for-profit and non-profit levels and are bringing vacant foreclosed properties and the surrounding areas back to life. While those funds already appropriated will help jurisdictions rehabilitate approximately 90,000 properties, there are an additional 90,000 properties that fall into foreclosure every single month. These foreclosure numbers will only continue to grow.

We estimate that this funding will help communities hit hard by foreclosures to purchase and rehabilitate an additional 57,000 properties. Those properties will:

- Create more than 45,000 jobs;
- Pay approximately \$94 million in property taxes annually;
- Generate an additional \$4.83 billion in economic activity nationwide; and
- Save localities nearly \$568 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.

In addition, H.R. 1 includes tenant protection language that would extend the amount of time before an owner may require tenants to vacate if they are living in a foreclosed property that has been purchased with NSP funds. The inclusion of this language in the Senate version of H.R. 1 is crucial and would protect many working families from abrupt and unanticipated eviction and could potentially diminish the expected increase in homelessness in many communities.

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.

Sincerely,

National Foreclosure Prevention and Neighborhood Stabilization Task Force

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The following members have signed on to the above letter:

Center for American Progress Action Fund
City of Bath, Maine
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
Low Income Investment Fund
Mercy Housing
Miami – Dade County
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 Local Housing Finance Agencies
National Community Land Trust Network
National Coalition for Asian Pacific American Community Development
National Community Reinvestment Coalition
National Council of La Raza
National Housing Conference
National Housing Institute
National League of Cities
National Low Income Housing Coalition
National NeighborWorks Association
National Vacant Properties Campaign
NCB Capital Impact
New Jersey Community Capital
North Carolina Community Development Initiative
Policy Link
Rebuilding Together
Self – Help
Sioux Empire Housing Partnership
Wisconsin Partnership for Housing Development, Inc.