



SAVE AMERICA'S NEIGHBORHOODS

ENACT COMMUNITY STABILIZATION FUNDING NOW!

June 25, 2008

Dear Madam Speaker:

The undersigned organizations urge lawmakers to include emergency neighborhood stabilization funding in H.R. 3221. It is as a crucial part of the housing relief package that Congress should enact immediately.

While we agree Congress should continue to move forward with its commendable efforts to prevent future foreclosures, we also strongly believe passage of neighborhood stabilization funding is crucial to the overall effort to stem the tide of foreclosures and stabilize the financial well-being of communities hit hardest by this crisis.

In communities with large numbers of foreclosures, homes stand vacant, create crime and arson hazards, and drag down prices area-wide. **Everyone loses—the lender, the homeowner, the renter and the neighborhood, including those families who have played by the rules in buying a home they could afford and paying the mortgage on time, but whose neighbors have lost their homes to foreclosure.**

Neighborhood stabilization funding would provide a desperately needed economic stimulus, enable communities and families to regain their balance and contribute to the economic well-being of the country once again.

Foreclosures are rampant, up 75 percent nationally last year over 2006, and the number of lender-owned homes nearly doubled in the fourth quarter of 2007 over the same period last year. This rapid increase in foreclosures has already damaged communities nationwide. The Joint Economic Committee estimates that more than **\$736 billion** in housing wealth has already been lost. It predicts that more than **\$1.14 trillion** will be lost by the end of 2008 and another **\$748 billion** in 2009.

Using construction activity multipliers developed by Texas A&M University and the National Association of Home Builders, researchers estimate that a **\$4 billion** investment will generate at least **\$10 billion** in direct and "ripple effect" economic activity nationwide, create more than 32,000 jobs, generate more than **\$800 million** in one-time revenue for all levels of government, and restore nearly **\$60 million** per year in local government real estate tax collections.

Now is the time to act. The undersigned organizations urge you to include neighborhood stabilization funding in a broader foreclosure relief package.

Sincerely,

ACORN
CDFI Coalition
Center for American Progress Action Fund

Council of State Community Development Agencies
Enterprise Community Partners
Habitat for Humanity International
Housing Assistance Council
Housing Partnership Network
Local Initiatives Support Corporation
Low Income Investment Fund
National Alliance of Community Economic Development Associations
National Association of Housing and Redevelopment Officials
National Coalition for Asian Pacific American Community Development
National Community Development Association
National Community Land Trust Network
National Council of La Raza
National Council of State Housing Agencies
National Housing Conference
National Housing Institute
National League of Cities
National NeighborWorks Association
National Vacant Properties Campaign
NCB Capital Impact
Rebuilding Together
Self-Help
Smart Growth America
U.S. Conference of Mayors