

Neighborhood Stabilization Program/Project Rebuild

When serving as Chairwoman of the Subcommittee on Housing and Community Opportunity, Congresswoman Waters authored the legislation that created the Neighborhood Stabilization Program, and has led efforts in the U.S. Congress to combat foreclosures and neighborhood decline.

Congresswoman Waters introduced the Neighborhood Stabilization Act five years ago, in the midst of our nation's worst financial crisis since the Great Depression. The Congresswoman staunchly advocated for her legislation, and was able to authorize the program and secure \$4 billion in NSP funds under the Housing and Economic Recovery Act of 2008, which was signed into law by President George W. Bush. The Congresswoman fought for an additional \$2 billion for the program to be included in the stimulus package that Congress and President Obama put together, which became law in February 2009.

Most recently, the Congresswoman led a group of Congressional Black Caucus lawmakers in securing an additional \$1 billion in NSP funds under the Wall Street Reform and Consumer Protection Act of 2010.

From the total NSP appropriation of \$7 billion, HUD estimates that 100,000 properties in the hardest-hit areas will be impacted. This number of properties makes up almost 20% of the real estate owned (REO) properties over the last 18 months in NSP-targeted areas. Moreover, HUD estimates that NSP will support 93,000 jobs nationwide.

In total, the City and County of Los Angeles have received a combined \$168 million in NSP funding. L.A. Neighborhood Housing Services, a housing counseling and non-profit developer in Los Angeles, also received \$60 million in NSP funding to complete projects across the Los Angeles area.

Los Angeles received the largest grant award of any city in the United States and the second largest grant overall, clearly a testament to not just the work of Congresswoman Waters, advocates and local officials, but also the scale of the foreclosure problem in Los Angeles.

President Obama has proposed expanding NSP to include both residential and commercial properties, naming the initiative "Project Rebuild." The President has proposed funding Project Rebuild at \$15 billion under his American Jobs Act.