



OFFICE OF THE MAYOR
CITY OF CHICAGO

RICHARD M. DALEY
MAYOR

March 8, 2011

The Honorable Spencer T. Bachus
Chairman
House Committee on Financial Services
2129 Rayburn House Office Building
Washington, DC 20515

Dear Chairman Bachus:

I understand that the Financial Services Committee is marking up two bills on Wednesday, March 9, and marked up two more last week. I am concerned that these bills would eliminate four important programs that help both homeowners facing foreclosure and localities facing increasing numbers of vacant and abandoned properties. I am especially concerned with the NSP Termination Act, which would terminate the Neighborhood Stabilization Program and eliminate a third round of funding, known as NSP 3, created under the Dodd-Frank Wall Street Reform bill.

Localities, like Chicago, are in desperate need of funding such as NSP 3 to assist neighborhoods that are facing unprecedented numbers of foreclosures. In 2010, for example, there were 23,364 foreclosure filings in Chicago. To put this in perspective, before the housing crisis began in 2007, Chicago saw an average of 8,375 foreclosure filings per year.

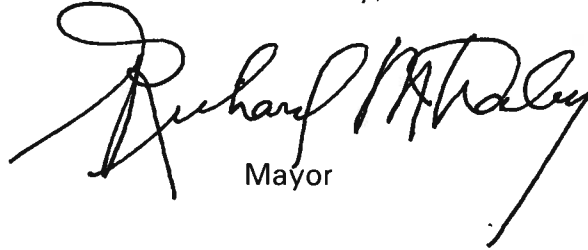
As you are aware, foreclosures are devastating for neighborhoods – vacant and abandoned properties depress home values, weaken the tax base, breed crime, and drive up government costs as municipalities bear the burden of securing and maintaining them. Cities are already stretched thin financially and need as much support as possible from the federal government.

We have already used funds from previous NSP programs to revitalize neighborhoods and create jobs. To date, the City of Chicago has committed funds from the first two rounds of NSP to assist 579 units in 120 properties in targeted hard-hit areas, representing more than \$75 million in NSP investment. In addition, our NSP work thus far has created 344 construction jobs.

Using the \$15.9 million the City of Chicago expects to receive in NSP 3 funds, we estimate we can acquire and rehabilitate approximately 70 vacant units and demolish approximately 100 vacant, blighted units. These funds will allow us to continue the work we have started in communities across Chicago that have been hardest hit by foreclosure. Every vacant property that is rehabbed moves us closer to stabilizing these neighborhoods.

Thank you for your consideration in this matter.

Sincerely,



Richard M. Daley
Mayor



OFFICE OF THE MAYOR

CITY OF CHICAGO

RICHARD M. DALEY
MAYOR

March 8, 2011

The Honorable Barney Frank
Ranking Member
House Committee on Financial Services
B371A Rayburn House Office Building
Washington, DC 20515

Dear Ranking Member Frank:

I understand that the Financial Services Committee is marking up two bills on Wednesday, March 9, and marked up two more last week. I am concerned that these bills would eliminate four important programs that help both homeowners facing foreclosure and localities facing increasing numbers of vacant and abandoned properties. I am especially concerned with the NSP Termination Act, which would terminate the Neighborhood Stabilization Program and eliminate a third round of funding, known as NSP 3, created under the Dodd-Frank Wall Street Reform bill.

Localities, like Chicago, are in desperate need of funding such as NSP 3 to assist neighborhoods that are facing unprecedented numbers of foreclosures. In 2010, for example, there were 23,364 foreclosure filings in Chicago. To put this in perspective, before the housing crisis began in 2007, Chicago saw an average of 8,375 foreclosure filings per year.

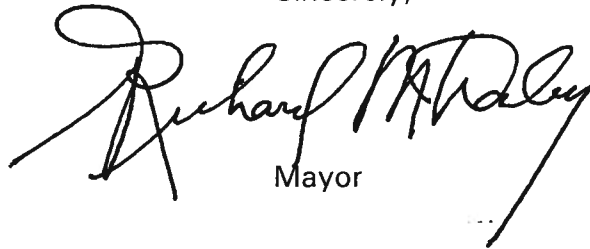
As you are aware, foreclosures are devastating for neighborhoods – vacant and abandoned properties depress home values, weaken the tax base, breed crime, and drive up government costs as municipalities bear the burden of securing and maintaining them. Cities are already stretched thin financially and need as much support as possible from the federal government.

We have already used funds from previous NSP programs to revitalize neighborhoods and create jobs. To date, the City of Chicago has committed funds from the first two rounds of NSP to assist 579 units in 120 properties in targeted hard-hit areas, representing more than \$75 million in NSP investment. In addition, our NSP work thus far has created 344 construction jobs.

Using the \$15.9 million the City of Chicago expects to receive in NSP 3 funds, we estimate we can acquire and rehabilitate approximately 70 vacant units and demolish approximately 100 vacant, blighted units. These funds will allow us to continue the work we have started in communities across Chicago that have been hardest hit by foreclosure. Every vacant property that is rehabbed moves us closer to stabilizing these neighborhoods

Thank you for your consideration in this matter.

Sincerely,

A handwritten signature in black ink, appearing to read "Richard M. Daley". The signature is fluid and cursive, with a large initial "R" and "M".

Mayor