



**NATIONAL COMMUNITY
DEVELOPMENT ASSOCIATION**

FAX COVER SHEET

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PLEASE DELIVER THE FOLLOWING PAGES:

TO: Alexander Cochran
OF: BBR Group
OFFICE#: _____
FAX#: 833-9392

FROM: Karen Parker
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COMMENTS: _____

MISSION..

To assist local governments to achieve high-quality, locally responsive programs for making communities better places to live and work, particularly for low and moderate income people.

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NATIONAL COMMUNITY DEVELOPMENT ASSOCIATION

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Affiliated with the National League of Cities and the U.S. Conference of Mayors

March 5, 2009

Senator Christopher Dodd
448 Russell Senate Office Building
Washington, D.C. 20510

RE: Restoring Downpayment Assistance

Dear Senator Dodd:

As we have seen the housing crisis in our country has led to one of the worst economic catastrophes in our history. The mayors and community development directors across the country feel the impact of the foreclosures everyday as their tax base shrinks and the families show up in their offices with nowhere to go and in need of services.

One of the foundations for building great communities and neighborhoods across the United States is access to housing. Conversely, one of the fastest ways to ruin a neighborhood is to let foreclosed homes sit idle and weaken housing values, create opportunities for vandals, drug dealers and other unsavory actors to take advantage of the unoccupied home.

Senator, as you know, President Bush and the Congress eliminated privately funded downpayment assistance (DPA) as of October 1, 2008. However, Representatives Al Green, Maxine Waters and Gary Miller have introduced a bi-partisan bill H.R. 600 to reinstate a new and improved version of the program. In fact, the new program has been scored as revenue neutral by the Congressional Budget Office.

Well over one-hundred thousand supporters have sent letters and made phone calls to regulators and politicians in Washington, D.C. demanding legislation for reformed DPA. This broad based advocacy movement argues that reviving DPA as soon as possible will help jump-start the sagging economy and boost demand for the foreclosed properties now glutting the housing market. The latest version of DPA also has toughened credit requirements, increase mortgage insurance premiums and other improvements resulting in a program that according to a recent analysis by the Congressional Budget Office, costs the American taxpayers nothing.

The facts are clear. Over the last decade, private funded downpayment assistance is responsible for placing 600,000 families into homes. Downpayment assistance has had a major beneficial impact on the U.S. economy last year, generating \$38.6 billion in economic output and creating 235,000 new jobs.

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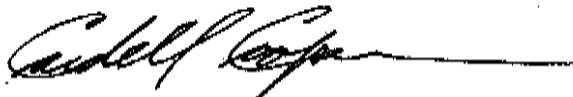
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DPA is good for the economy. More than 200,000 new and existing homes were sold last year with DPA. Roughly 40% of all loans originated by the Federal Housing Administration used DPA. About 40% of the borrowers were households headed by minorities and more than one-third were headed by females. Of 235,000 new jobs created last year, 195,000 came from new-home construction and the rest from new home sales. DPA also accounted for \$4.6 billion in total tax revenues last year.

Many of us believe this new and improved DPA program addresses all of those concerns while creating a homeownership opportunity to those traditionally served by Federal government and community programs and who were cast aside by the former president and Congress. I urge you to help the working class living in our cities today by supporting DPA legislation.

Thank you for your consideration.

Sincerely,

A handwritten signature in black ink, appearing to read "Cardell Cooper", with a long horizontal flourish extending to the right.

Cardell Cooper
Executive Director

bcc: Alexander Cochran, BGR Group