

**DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT
COMMUNICATIONS**

1800 Third Street, Room 450
Sacramento, CA 95811
www.hcd.ca.gov
(916) 445-4775
Fax (916) 324-5107

**FOR IMMEDIATE RELEASE****Date: August 27, 2009**

Contact: Jennifer Sweeney
Director of Communications
(916) 445-4775
jsweeney@hcd.ca.gov

State of California Announces \$92.7 Million in Federal Neighborhood Stabilization Program Funding to Rejuvenate California Communities Hit Hard by the Foreclosure Crisis

SACRAMENTO – The California Department of Housing and Community Development (HCD) today announced \$92.7 million from the federal Neighborhood Stabilization Program (NSP). These funds are part of the Housing and Economic Recovery Act of 2008. Ninety-six California communities will be receiving the funds, which will go toward rejuvenating neighborhoods and communities that are hardest hit by the foreclosure crisis.

"These funds will make it possible for local governments throughout California to buy and restore homes and bring hope back into their communities," said HCD Director Lynn L. Jacobs.

NSP provides funds to state and local governments to purchase abandoned and foreclosed homes and residential property. This money provides localities funding needed to renovate and rehabilitate those homes, eliminate blight and reinvigorate and stabilize the affected neighborhoods. The funds can be used for five activities:

- Purchase and rehabilitate homes to sell, rent or redevelop
- Create land banks for homes that have been foreclosed upon
- Demolish blighted structures
- Redevelop demolished or vacant properties
- Establish financing mechanisms for purchase and redevelopment of foreclosed upon homes and residential properties.

"We are committed to getting funding out as quickly as possible to provide prompt relief and assistance to individuals, families and communities throughout California," said Director Jacobs.

For a listing of total awards, go to: <http://www.hcd.ca.gov/fa/nsp/ChartofAllNSPAwards.pdf>

HCD provides leadership, policies and programs to preserve and expand safe and affordable housing opportunities and promote strong communities for all Californians. The Department also supports increasing the supply of housing, especially affordable housing and works to improve the state's housing conditions and the health and safety of its residents. As the lead housing department, HCD is part of the state Business, Transportation and Housing Agency. For more information, go to www.hcd.ca.gov.

#