



NEW YORK STATE SENATOR

Jeffrey D. Klein

Senator Klein Announces Stop-Gap Funding For Critical Foreclosure Prevention Programs

JEFFREY D. KLEIN December 8, 2010

| ISSUE: **FORECLOSURE, LOANS**

Senator Jeffrey D. Klein, (D-Bronx/ Westchester), praised the inclusion of \$1 million in foreclosure prevention funding that was included in this week's tax code reform and economic jump-start legislative package.

The appropriation will help maintain counseling, advocacy and legal defense programs to help people stay in their homes and protect against further fallout from the foreclosure crisis – at least until the end of the fiscal year.

“This was a good first step that will help keep some of these vitally important programs running as many New Yorkers enter the holiday season not only facing the prospect of losing the American Dream, but also facing limited options for help during foreclosure process,” Senator Klein said. “However, without funding in the upcoming budget for foreclosure prevention and legal services, thousands of New Yorkers will lose their homes, causing ripple effects that will be felt in virtually every community.”

These programs, made possible through the NYS Homes and Community Renewal agency, have serviced more than 80,000 New Yorkers, saved more than 14,000 homes, and prevented more than \$1.9 billion in lost property value and property tax revenue during the past two years.

A recent analysis provided to Senator Klein by the Empire Justice Center shows a potential loss of \$133.6 million in property tax revenue for New York City alone, if all properties that are in, or are about to start the process, end up in foreclosure.

The programs have previously been funded with a two-year allotment of \$47 million in the 2009-2010 and 2010-2011 budgets. No funding was included in the final budget last year. Advocates and Senator Klein, along with colleagues in the Senate, Assembly and City Council, are seeking a \$25 million appropriation in the upcoming 2012-2013 budget.

These advocates include Legal Services NYC – Bronx, the Empire Justice Center, the City Bar Justice Center, South Brooklyn Legal Services, New York Mortgage Coalition, Center for NYC Neighborhoods (CNYCN), The Legal Aid Society, Asian Americans for Equality, NYLAG, Queens Legal Services, Staten Island Legal Services, Neighborhood Housing Services, Westchester Residential Opportunities Inc., Legal Services NYC - Brooklyn, Parodneck Foundation, Long Island Housing Services Inc., and the Queens Volunteer Lawyers Project, Inc., among others.

More information can be found here: <http://tinyurl.com/c2tjlp4>