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**SCHAKOWSKY, CHICAGO HOUSING AUTHORITY CEO PETERSON & CITY
DENOUNCE CUTS IN HOUSING AND ECONOMIC DEVELOPMENT PROGRAMS**

**CHICAGO TO RECEIVE AT LEAST \$22 MILLION LESS UNDER REPUBLICAN FUNDING
PLAN**

PRESIDENT PROMISES TO VETO HUD APPROPRIATIONS BILL

WASHINGTON, D.C. - U.S. Representative Jan Schakowsky (D-IL) today joined Chicago Housing Authority CEO Terry Peterson and Department of Housing Commissioner Jack Markowski to denounce cuts in housing and economic development programs.

Schakowsky said that the bill approved by the House Appropriations Committee is \$2.5 billion below the President's request and, as a result, the City of Chicago would receive at least \$22 million less for vital housing, homeless assistance, and economic and community development programs. The President promised to veto the bill in its current form.

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"This is déjà vu all over again. Last year, the Republicans tried to slash funding for housing programs nationwide. It's another year, and the Republicans are at it again. Working closely with a coalition of housing advocates, local officials, and community leaders, we turned back the tide and won a victory for hard working families, seniors, and persons with disabilities last year. I am confident that we can do it again," said Schakowsky, a member of the Banking Subcommittee on Housing and Community Opportunity

"In the past, housing has not been viewed as a real priority. However, with his timely veto threat of this bill, the President has elevated our nation's housing needs to a new level. Our goal is to get enough votes to sustain the President's veto and to ensure that the next version adequately funds housing and economic development priorities," Schakowsky added.

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Under the current bill, the city of Chicago would receive at least \$22 million below the President's request. Specifically, Chicago would receive \$8.7 million less through the Community Development Block Grant. This will impact the city's efforts to promote economic development and community renewal. The bill also fails to fund the President's request of nearly \$6 million for rental assistance vouchers for Chicago.

Furthermore, the city will see \$3.6 million less for its gun buy back program, environmental cleanup, and community outreach. In addition, efforts in the city to assist the homeless and to provide housing for persons with AIDS would be cut by \$2 million and \$600,000, respectively.

"More than five million U.S. families are paying more than half of their income for housing. And cities are stretching every dollar to expand economic and community development initiatives and to meet the needs of their residents. Unfortunately, this bill fails to recognize that need and falls well short of meeting our housing and urban renewal priorities," Schakowsky said.

The bill is also \$9 million below the President's request for Housing Counseling programs. This program provides critical financial and mortgage advice to potential homebuyers, which is necessary to combat the growing problem of predatory lending. Since 1993, annual foreclosures in Chicago have increased from 131 to nearly 5,000 in 1999.

Schakowsky, who is the author of the Anti-Predatory Lending Act, said, "With the lack of federal funds for housing needs, it is no surprise that more and more people are victimized by predatory lenders."