

RESOLUTION NO. 15-08

***RESOLUTION CALLING ON SUBPRIME MORTGAGE LENDERS AND SERVICERS
FOR PROPERTIES IN RICHMOND TO VOLUNTARILY AGREE TO A SIX-MONTH
MORATORIUM ON FORECLOSURES***

WHEREAS, there is an epidemic of foreclosures throughout the country, including in Richmond, in Contra Costa County and California, and specifically California foreclosures have risen to their highest level in 19 years; and

WHEREAS, in California in 2006 there were 142,429 foreclosure filings representing an increase of 131% from the number of foreclosures filed in 2005; and

WHEREAS, 3,216 Notices of Default were filed in Contra Costa County during the third quarter of 2007, up 217.8 percent from the third quarter of 2006; and

WHEREAS, various research reports have shown a strong correlation between the increase in foreclosures and the increase in subprime mortgages; and

WHEREAS, subprime loans are prevalent in lower income neighborhoods and communities of color, and the foreclosure crisis is devastating vulnerable populations and neighborhoods; and

WHEREAS, the lending community is a critical partner in efforts by the public and private sectors to address the mortgage foreclosure crisis; and

WHEREAS, time is needed to identify issues and approaches that can positively resolve the crisis thousands of Contra Costa County homeowners face due to the foreclosure epidemic;

NOW BE IT RESOLVED, that the Richmond City Council calls on subprime mortgage lenders and servicers for properties in Richmond to voluntarily agree to a six-month moratorium on foreclosures; and

BE IT FURTHER RESOLVED, that the Richmond City Council calls on these lenders and servicers to make every effort during the moratorium period to develop long-term solutions with affected homeowners that allow them to remain in their homes; and

BE IT FURTHER RESOLVED, that the Richmond City Council calls on these lenders and servicers to provide a response to the City Council noting whether the company will agree to the voluntary moratorium on foreclosures, or provide information on activities under way or under consideration to help alleviate the crisis.

I certify that the foregoing was passed and adopted by the City Council of the City of Richmond, California at a meeting held on January 29, 2008, by the following vote:

AYES: Councilmembers Bates, Butt, Lopez, Marquez, Rogers, Sandhu, Thurmond, Viramontes, and Mayor McLaughlin

NOES: None

ABSTENTIONS: None

ABSENT: None

DIANE HOLMES
Clerk of the City of Richmond

[SEAL]

APPROVED:

GAYLE McLAUGHLIN
MAYOR

APPROVED AS TO FORM:

LOUISE RENNE, Interim
CITY ATTORNEY

State of California }
County of Contra Costa : ss.
City of Richmond }

I certify that the foregoing is a true copy of Resolution No. 15-08, finally passed and adopted by the Council of the City of Richmond at a meeting held on January 29, 2008.