

Petaluma City Council resolution (DRAFT ONLY)

A RESOLUTION recognizing and supporting a call to action to all individuals, civic and social organizations, business enterprises and other entities in the City of Petaluma to participate in the “Foreclosure Prevention Zone” initiated by Occupy Petaluma to prevent foreclosure and eviction of homeowners.

WHEREAS, a central problem dragging down our economy is the foreclosure crisis, with many owners struggling to obtain loan adjustments and too many banks with flawed review procedures; and

WHEREAS, the State of California has been particularly hard-hit by the foreclosure crisis, ranking among the top states in the nation for the number of foreclosures,

WHEREAS, over 8 million mortgages nationwide have been foreclosed between 2008 and 2011, with another 6 million loans in default with families facing foreclosure in 2012, and 11 million loans upside-down secured by homes worth less than the loans,

WHEREAS, in Sonoma County, thousands of homes are in some phase of the foreclosure process; and

WHEREAS, between 2008-2012 the foreclosure crisis has already cost California communities, homeowners and local governments hundreds of millions of dollars, and the high number of foreclosures in neighborhoods is projected to cause millions more dollars lost to communities and local governments, plus a continued drop in total home equity wealth for everyone; and

WHEREAS, local governments, including Petaluma, are straining under the increasing weight of responsibility to provide for basic support services at a time of declining tax revenues and as a result of budget reductions by the state and federal government; and

WHEREAS, California Attorney General Kamala D. Harris is conducting a criminal investigation of banks and other financial institutions and businesses for foreclosure fraud, and has yet to determine the breadth of foreclosure fraud and which homeowners have been or are facing unlawful eviction from their homes; and

WHEREAS, the City of Petaluma and Occupy Petaluma have been cooperating to prevent foreclosures and evictions of homeowners, including a joint effort to declare a “Holiday Moratorium on Foreclosures and Evictions” in November and December 2011 that was supported by lending institutions in Sonoma County; and

NOW THEREFORE,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF PETALUMA, THE MAYOR CONCURRING:

Section 1. By adoption of this Resolution, the City of Petaluma recognizes and supports a call to action from Occupy Petaluma to our entire community to participate in the Foreclosure Prevention Zone in Petaluma and to work together as a community to keep residents facing foreclosure in their homes.

Section 2. The foreclosure crisis, which is a central problem at the heart of the economic morass facing our country, requires decisive and sustained action by every sector of our communities and society. Cities are greatly harmed by the foreclosure crisis and must play an important role in the development of public policy to address it. By adoption of this resolution, the City Council commits to the following steps to provide solutions to the foreclosure crisis:

1. The City will request that lending institutions operating in Sonoma County attend a meeting in February 2012 to discuss specific methods for preventing foreclosures. A special effort will be made to include representatives of the banks that are making the greatest number of foreclosures in California, including Bank of America, JP Morgan Chase, Bank of New York, GMAC, Citigroup and Wells Fargo.
2. The City will review its banking and investment practices to ensure that public funds are invested in responsible financial institutions that support our community. The Council may also consider future legislation to promote responsible banking and provide an incentive for banking institutions to invest more in our City, particularly with regard to stabilizing the housing market. This review should include evaluating City policies on responsible depositing and management of City funds.
3. The City will examine the number of home foreclosures in Petaluma, the geographic neighborhoods in which the foreclosures are occurring, and lender information on homes involved in the foreclosure process, including real estate owned homes.

Adopted by the City Council the _____ day of _____, 2012, and signed by me in open session in authentication of its adoption this _____ day of _____, 2011.

THE MAYOR CONCURRING:

Mayor

Filed by me this _____ day of _____, 2012.

City Clerk

(Seal)