

Resolution No. 31434

A RESOLUTION regarding local solutions for low-income homeowners and communities impacted by the foreclosure crisis.

The City of Seattle - Legislative Department

Resolution sponsored by: *[Signature]*
Bruce C. Howell Sally Bagshaw

Committee Action:

Date	Recommendation	Vote
	pass as amended ^{EMS}	3-0 NL, BH, MO

Related Legislation File: _____

Date Introduced and Referred: <u>3-11-13</u>	To: (committee): <u>Housing, Human Services Health + Culture</u>
Date Re-referred:	To: (committee):
Date Re-referred:	To: (committee):
Date of Final Action: <u>3/18/13</u>	Date Presented to Mayor: <u>3/20/13</u>
Date Signed by Mayor: <u>3-26-13</u>	Date Returned to City Clerk: <u>3-27-13</u>
Published by Title Only <input checked="" type="checkbox"/>	Date Returned Without Concurrence:
Published in Full Text	

This file is complete and ready for presentation to Full Council. _____

Full Council Action:

Date	Decision	Vote
<u>3/18/13</u>	<u>Adopt</u>	<u>9-0</u>

Law Department

CITY OF SEATTLE
RESOLUTION 31434

1
2
3 A RESOLUTION regarding local solutions for low-income homeowners and communities
4 impacted by the foreclosure crisis.

5 WHEREAS, in the City of Seattle, according to the 2012 2nd Quarter Zillow report, 38% percent
6 of all homeowners are underwater on their mortgages and the average amount of negative
7 equity carried by the individual homeowner because of the loss of value in their homes is
8 approximately \$92,200; and

9 WHEREAS, according to the Seattle Office of Housing, between 2008 and November 30, 2012,
10 9,491 Seattle families have lost their homes due to foreclosures stemming from the
11 housing crisis and approximately 34 percent of those are concentrated in Southeast
12 Seattle where 14% of the City's homeowners live; and

13 WHEREAS each new foreclosure brings another distressed property on the market, pushing the
14 value of all housing lower, causing property tax revenues to decline as well and budget
15 deficits to increase, forcing cuts to services and jobs supporting communities; and

16 WHEREAS nationally, underwater homeowners owe \$700 billion more on their mortgages than
17 their homes are worth and resetting mortgages on underwater homes to fair market value
18 is critical to our economic recovery because it will increase consumer spending and
19 create jobs; and

20 WHEREAS homeowners who are severely underwater on their mortgages are 150% to 200%
21 more likely to default on their mortgages; and

22 WHEREAS the City of Seattle has an interest in assisting low-income families who are severely
23 underwater and at risk of foreclosure, and low-income families who are delinquent on
24 their mortgages and facing foreclosure; as well as an interest in preserving the tax base;
25 and

26 WHEREAS, nationally, banks have received more than \$700 billion in bailout funds, yet, many
27 of the programs to help homeowners included no provisions to hold the banks
28 accountable to use those funds to help struggling homeowners, and the industry continues
to prove unwilling to renegotiate loans on any meaningful scale; and

WHEREAS, in Resolution 31337, "recognizing and supporting the peaceful and lawful exercise
of the First Amendment as a cherished and fundamental right in the effort to seek
solutions for economically distressed Americans at the federal and local levels," the
Council asked the Office of Housing to work with the Seattle-King County Asset
Building Collaborative's Foreclosure Prevention Action Team to gather qualitative data

1 on the circumstances and causes of foreclosures and the foreclosure methods and
2 practices of lenders, including reviewing apparent inequities many people in Seattle face
when lender foreclosure proceedings occur; NOW, THEREFORE,

3 **BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SEATTLE, THE**
4 **MAYOR CONCURRING, THAT:**

5 The City Council will review the quantitative and qualitative data on the circumstances
6 and causes of foreclosures and the foreclosure methods and practices of lenders, including
7 reviewing any apparent inequities people in Seattle may face when lender foreclosure
8 proceedings occur. Furthermore, the City Council in collaboration with the Office of Housing
9 will explore all legal options to assist low-income homeowners who continue to suffer from the
10 housing crisis.

11 Adopted by the City Council the 18th day of March, 2013, and
12 signed by me in open session in authentication of its adoption this 18th day
13 of March, 2013.

14 

15 President _____ of the City Council

16
17 THE MAYOR CONCURRING:

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19
20 Michael McGinn, Mayor

21
22 Filed by me this 27 day of March, 2013.

23
24 

25 Monica Martinez Simmons, City Clerk

26 (Seal)
27
28

FISCAL NOTE FOR NON-CAPITAL PROJECTS

Department:	Contact Person/Phone:	CBO Analyst/Phone:
Legislative	Lisa Herbold/4-5331	n/a

Legislation Title:

A resolution regarding local solutions for low-income homeowners and communities impacted by the foreclosure crisis.

Summary of the Legislation:

The Council will review the qualitative data on the circumstances and causes of foreclosures and the foreclosure methods and practices of lenders, including reviewing any apparent inequities people in Seattle may face when lender foreclosure proceedings occur. Furthermore, the City Council in collaboration with the Office of Housing will explore all legal options to assist low-income homeowners who continue to suffer from the housing crisis.

Background:

The City of Seattle has an interest in finding new ways to assist low-income families who are severely underwater and at risk of foreclosure, and low-income families who are delinquent on their mortgages and facing foreclosure; as well as an interest in preserving the tax base.

Please check one of the following:

This legislation does not have any financial implications.

(Please skip to "Other Implications" section at the end of the document and answer questions a-h. Earlier sections that are left blank should be deleted. Please delete the instructions provided in parentheses at the end of each question.)

This legislation has financial implications.

(If the legislation has direct fiscal impacts (e.g., appropriations, revenue, positions), fill out the relevant sections below. If the financial implications are indirect or longer-term, describe them in narrative in the "Other Implications" Section. Please delete the instructions provided in parentheses at the end of each title and question.)

Other Implications:

- a) **Does the legislation have indirect financial implications, or long-term implications?**
Depending on how the Council decides to collect the data, there may be indirect financial



implications.

- b) **What is the financial cost of not implementing the legislation?**
N/A
- c) **Does this legislation affect any departments besides the originating department?**
The Office of Housing will be involved in the implementation of the resolution goals.
- d) **What are the possible alternatives to the legislation that could achieve the same or similar objectives?**
N/A
- e) **Is a public hearing required for this legislation?**
No
- f) **Is publication of notice with *The Daily Journal of Commerce* and/or *The Seattle Times* required for this legislation?**
No
- g) **Does this legislation affect a piece of property?**
No
- h) **Other Issues:**
N/A



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THIS VERSION IS NOT ADOPTED



on the circumstances and causes of foreclosures and the foreclosure methods and practices of lenders, including reviewing apparent inequities many people in Seattle face when lender foreclosure proceedings occur; NOW, THEREFORE,

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

The City Council will review the qualitative data on the circumstances and causes of foreclosures and the foreclosure methods and practices of lenders, including reviewing any apparent inequities people in Seattle may face when lender foreclosure proceedings occur. Furthermore, the City Council in collaboration with the Office of Housing will explore all legal options to assist low-income homeowners who continue to suffer from the housing crisis.

Adopted by the City Council the ____ day of _____, 2013, and signed by me in open session in authentication of its adoption this ____ day of _____, 2013.

President _____ of the City Council

THE MAYOR CONCURRING:

Michael McGinn, Mayor

Filed by me this ____ day of _____, 2013.

Monica Martinez Simmons, City Clerk

(Seal)

THIS VERSION IS NOT ADOPTED



STATE OF WASHINGTON -- KING COUNTY

--SS.

296305
CITY OF SEATTLE, CLERKS OFFICE

No. 31421,430,431,434,435

Affidavit of Publication

The undersigned, on oath states that he is an authorized representative of The Daily Journal of Commerce, a daily newspaper, which newspaper is a legal newspaper of general circulation and it is now and has been for more than six months prior to the date of publication hereinafter referred to, published in the English language continuously as a daily newspaper in Seattle, King County, Washington, and it is now and during all of said time was printed in an office maintained at the aforesaid place of publication of this newspaper. The Daily Journal of Commerce was on the 12th day of June, 1941, approved as a legal newspaper by the Superior Court of King County.

The notice in the exact form annexed, was published in regular issues of The Daily Journal of Commerce, which was regularly distributed to its subscribers during the below stated period. The annexed notice, a

CT:TITLE ONLY RESOLUTION

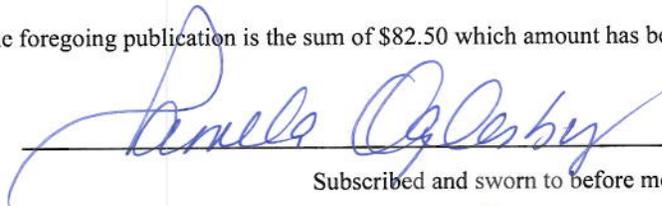
was published on

04/11/13

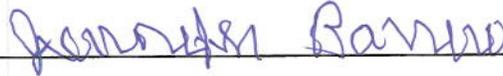
The amount of the fee charged for the foregoing publication is the sum of \$82.50 which amount has been paid in full.



Affidavit of Publication


Subscribed and sworn to before me on

04/11/2013



Notary public for the State of Washington,
residing in Seattle

State of Washington, King County

City of Seattle Title Only Resolutions

The full text of the following legislation, passed by the City Council on March 18, 2013, and published below by title only, will be mailed upon request, or can be accessed at <http://clerk.seattle.gov>. For information on upcoming meetings of the Seattle City Council, please visit <http://www.seattle.gov/council/calendar>.

Contact: Office of the City Clerk at (206) 684-8344.

RESOLUTION NO. 31421

A RESOLUTION granting conceptual approval to King County Department of Natural Resources and Parks, Wastewater Treatment Division to construct, maintain, and operate a combined sewer overflow control system within Triton Drive Northwest as part of the existing North Beach Pump Station.

RESOLUTION NO. 31430

A RESOLUTION approving the proposed budget of the Skagit Environmental Endowment Commission for fiscal year 2013.

RESOLUTION NO. 31431

A RESOLUTION granting conceptual approval to construct, maintain, and operate a Saturn sculpture and solar collector over Evanston Avenue North, south of North 35th Street, as proposed by Saturn Building LLC.

RESOLUTION NO. 31434

A RESOLUTION regarding local solutions for low-income homeowners and communities impacted by the foreclosure crisis.

RESOLUTION NO. 31435

A RESOLUTION setting the public hearing on the petition of Seattle Public Utilities for the vacation of Carr Place North between North 34th Street and North 35th Street in the South Wallingford Planning area of Seattle; pursuant to Chapter 35.79 Revised Code of Washington (RCW) and Seattle Municipal Code (SMC) 15.62 (Clerk File 312535).

Date of publication in the Seattle Daily Journal of Commerce, April 11, 2013.

4/11(296305)