RESOLUTION CALLING FOR FEDERAL LEGISLATION TO PROVIDE FORECLOSURE PREVENTION ASSISTANCE

WHEREAS, Throughout the United States, the foreclosure rate on homes is at a higher rate than occurred in the 1980's during the savings and loan association crisis; and

WHEREAS, Evidence indicates the increase in foreclosures is attributable to defaults on subprime loans and on adjustable rate loans; and

WHEREAS, The current financial crisis involving home mortgages, debt instruments, and the United States banking system threatens the economic stability of the entire country; and

WHEREAS, No state in the country has a higher foreclosure rate than the State of Nevada with number of new foreclosures in Clark County for 2008 exceeding 12,000; and

WHEREAS, The foreclosure crisis impacts more than just the homeowners because homes in foreclosure can result in reduced property values for homeowners in the surrounding area; and

WHEREAS, In addition, homes in foreclosure that become vacant provide sites for crime or other neighborhood problems and result in direct costs to local government agencies, including inspections, court actions, police and fire department efforts, potential demolition, unpaid water and sewage, and trash removal; and

WHEREAS, Historically, the federal government has intervened to protect financial institutions and home ownership and to provide guarantees of social and economic stability; and

WHEREAS, This financial crisis is predicted to continue with millions of Americans, including more residents of Nevada, facing the possibility of foreclosure and the loss of their homes over the coming months unless action is taken soon by the federal government; and

WHEREAS On March 18, 2008, the Board of Commissioners approved a Resolution urging Congress and the President to pass bipartisan federal legislation relating to the foreclosure crisis whose goal is to help those Americans facing foreclosure as well as those communities impacted by the foreclosure crisis.

WHEREAS, On July 30, 2008 Congress passed the Housing and Economic Recovery Act, 2008 (HERA) which included $3.92 billion in appropriations for emergency assistance for redevelopment of abandoned and
foreclosed homes and residential properties, commonly referred to as the Neighborhood Stabilization Program (NSP); and

WHEREAS, The NSP regulations specifically prohibit using NSP funding to provide foreclosure prevention; and

WHEREAS, A critical factor in foreclosure prevention is the availability of affordable financing, much of which has been provided by through the FHA but which has been diminished by the lowering of the 2008 loan limits; and

WHEREAS, Additional federal legislation needs to be passed that will address the national housing crisis through the provision of assistance to directly assist American families facing foreclosure to keep their homes and to help other families avoid foreclosure in the future.

NOW, THEREFORE, BE IT RESOLVED, by the Board of Commissioners of Clark County, Nevada, that the County urge Congress and the President to pass federal legislation relating to the foreclosure crisis whose goal is to immediately provide help to those Americans facing foreclosure. Because of the impact the foreclosure crisis has had on Southern Nevada, the County urges Congress and the President to adopt an appropriate measure, which could include, at a minimum, amending the NSP regulations to provide more flexibility in the use of NSP funds, specifically to allow NSP funds to be used for foreclosure prevention; to provide additional funding for the Community Development Block Grant and HOME Programs; to increase counseling support; and to make the 2008 FHA loan limits permanent, that would provide relief to our citizens. The County directs that copies of this resolution be sent to the members of the Nevada Congressional Delegation.

PASSED, APPROVED, AND ADOPTED this ___ day of ______, 2009.

BOARD OF COMMISSIONERS
CLARK COUNTY, NEVADA

By: RORY REID, Chairman

ATTEST:

By: SHIRLEY B. PARRAGUIRRE, County Clerk