

**CITY OF BALTIMORE**  
**RESOLUTION \_\_\_\_\_**  
**Council Bill 15-0557**

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Introduced by: Councilmembers Henry, Middleton, Costello, Holton, Stokes, Kraft, Branch,  
Scott, Welch, Clarke, Curran, Reisinger

Introduced and read first time: July 20, 2015

Assigned to: Housing and Community Development Committee

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Committee Report: Favorable

Council action: Adopted

Read second time: November 9, 2015

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**A RESOLUTION OF THE MAYOR AND CITY COUNCIL CONCERNING**

**1 Foreclosure Prevention – Partnerships with Nonprofits and Financial Institutions**

2 FOR the purpose of supporting the effort to get delinquent mortgages into the hands of nonprofits  
3 for the purpose of saving homes from foreclosure and creating affordable housing; and  
4 committing the City of Baltimore to meet with financial entities with the goal of encouraging  
5 them to sell more delinquent mortgages to qualified non-profits that have the funding and  
6 infrastructure to purchase, service, and hold the mortgages, and a track record doing so.

**7 Recitals**

8 **WHEREAS**, Since the beginning of the housing crisis in 2007, more than four million families  
9 have lost their homes to foreclosure, which has caused state and local governments to face  
10 crippling budget crises.

11 **WHEREAS**, According to the State’s Department of Housing & Community Development, as  
12 recently as in the fourth quarter of 2014, the number of foreclosure events reached 13,959,  
13 the highest level since 2010.

14 **WHEREAS**, Thousands of homeowners in our city are caught-up in predatory mortgages that  
15 will become unaffordable in the coming years.

16 **WHEREAS**, Foreclosures have a negative social and economic impact on the affected  
17 families, neighborhoods, and our city as a whole, while disproportionately harming communities  
18 of color.

19 **WHEREAS**, HUD, Fannie Mae and Freddie Mac, and some of the larger private banks, are  
20 selling off pools of delinquent mortgages, most often to private equity firms, hedge funds, and  
21 other Wall Street entities.

22 **WHEREAS**, Certain non-profits have raised the necessary capital to compete in this market,  
23 purchasing pools of delinquent mortgages for the purpose of saving homes from foreclosure and  
24 creating affordable housing.

EXPLANATION: Underlining indicates matter added by amendment.  
~~Strike out~~ indicates matter stricken by amendment.

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1       **WHEREAS**, at least several non-profits have a track record of success, and have the capital to  
2 expand, but need help getting current note holders to sell enough of their delinquent mortgages.

3       **SECTION 1. BE IT RESOLVED BY THE MAYOR AND CITY COUNCIL OF BALTIMORE**, That the  
4 Mayor and City Council of Baltimore will support the effort to get delinquent mortgages into the  
5 hands of nonprofits for the purpose of saving homes from foreclosure and creating affordable  
6 housing by using our position and authority to help prevail upon major owners and managers of  
7 delinquent mortgages – including a number of big banks, Fannie Mae, Freddie Mac, and HUD  
8 – to sell them to one or more non-profits.

9       **SECTION 2. AND BE IT FURTHER RESOLVED**, That the City of Baltimore will itself, or in  
10 collaboration with other cities, meet with these financial entities with the goal of encouraging  
11 them to sell more delinquent mortgages to qualified non-profits that have the funding and  
12 infrastructure to purchase, service, and hold the mortgages, and a track record doing so.

13       **SECTION 3. AND BE IT FURTHER RESOLVED**, That this Resolution takes effect on the 30<sup>th</sup> day  
14 after the date it is enacted.

Certified as duly passed this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_

\_\_\_\_\_  
President, Baltimore City Council

Certified as duly delivered to Her Honor, the Mayor,

this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_

\_\_\_\_\_  
Chief Clerk

Approved this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_

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Mayor, Baltimore City