RESOLUTION NO. R-3-2011

RESOLUTION OF THE CITY OF LAS VEGAS TO SUPPORT ANY AND ALL EFFORTS BY THE STATE LEGISLATURE TO MANDATE INCREASED RESPONSIBILITY OVER THE INVENTORY OF FORECLOSED PROPERTIES IN THE CITY OF LAS VEGAS BY FINANCIAL INSTITUTIONS THAT OWN FORECLOSED PROPERTIES

WHEREAS, since January 2008, Southern Nevada has experience 71,000 foreclosures, representing more than 11 percent of the housing stock being in default; and

WHEREAS, within the last 12 months, 23,082 homes have gone into foreclosure; and

WHEREAS, Las Vegas continues to have the highest foreclosure rate in the nation with 1 in every 29 homes receiving a foreclosure filing in June 2010, compared to the United States average of 1 in every 139 homes; and

WHEREAS, 90 percent of Nevada's foreclosures are located in Southern Nevada; and

WHEREAS, Las Vegas continues to remain the epicenter of the foreclosure crisis, with over 70,641 mortgages in a delinquent status as of August 2010; and

WHEREAS, the majority of the foreclosed housing stock in Las Vegas has occurred in newer developments as a result of adjustable and interest only loans that expired thus converting to higher interest rate loans that homeowners could not afford; and

WHEREAS, Las Vegas is now experiencing a second wave of foreclosures caused by unemployment in which case families lack the income to support their mortgage; and

WHEREAS, the foreclosure crisis has not only displaced families from their homes and reduced their ability to pay for housing, but also damaged their credit and left them with no choice but to rent housing; and

WHEREAS, for every foreclosure action, there is a family that has experienced trauma and loss, both emotionally and financially; and

WHEREAS, as of July 2010 there have been 22,764 total foreclosure filings within the City (Ward 1- 2960, Ward 2- 3235, Ward 3- 2571, Ward 4- 4059, Ward 5- 3079, and in Ward 6- 6860); and

WHEREAS, the City is inundated by ongoing complaints and nuisance calls from residents, community partners, homeowners, and neighborhood associations regarding the lack of maintenance and associated problems related to foreclosed homes such as crime, trash, and further devaluation; and

WHEREAS, the City has received repeated constituent and homeowner association complaints that financial institutions that are not paying their regular homeowner association assessments and should be held accountable for their actions; and

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF LAS VEGAS to support any state legislative efforts to mandate that financial institutions take full responsibility for the growing inventory of foreclosed homes, and in particular, to alleviate financial constraints on homeowners and homeowner associations by paying homeowner's associations assessments as such assessments accrue. The City Council's support is general in nature and is not limited to any particular scope or language.

PASSED, ADOPTED, AND APPROVED this ______day of ______________, 2011.

CITY OF LAS VEGAS

BY: ______________________________
OSCAR B. GOODMAN, Mayor

ATTEST:

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BEVERLY K. BRIDGES, MMC
City Clerk

APPROVED AS TO FORM

______________________________ 1/19/11
Date