

THE CITY OF PROVIDENCE  
STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

# RESOLUTION OF THE CITY COUNCIL

No. 85

EFFECTIVE ~~XXXXXXXX~~ March 2, 2009 1, 2009

WHEREAS, The nation is currently in the midst of a recession caused largely by the collapse of the housing market; and

WHEREAS, Losses in the housing market have led to a steadily rising number of foreclosures; and

WHEREAS, Numerous banks engaged in deceptive and predatory lending practices which helped precipitate the housing market's collapse; and

WHEREAS, Providence has been especially hard hit by the recent foreclosure crisis, with the number of foreclosures in the city more than doubling from 2007 to 2008; and

WHEREAS, Each foreclosed property brings down the value of the homes in the area; and

WHEREAS, Foreclosed properties are frequently the target of break-ins, vandalism, and graffiti, creating new problems for local authorities and causing further reduction in property values; and

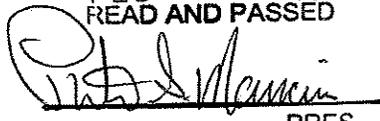
WHEREAS, The City had to spend, and continues to spend additional taxpayer funds to board up abandoned properties, demolish abandoned buildings, and for increased police and fire protection expenses due to public safety concerns in areas hardest hit by foreclosures; and

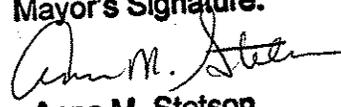
WHEREAS, Decreasing property values negatively affect the amount of property tax revenue the City collects each year; and

Birmingham, AL, and Cleveland, OH, have sued mortgage lenders who engaged in predatory and discriminatory lending practices for the lost tax revenue and increased services costs caused by foreclosures.

NOW, THEREFORE, BE IT RESOLVED, That the City Council of the City of Providence does hereby request that the Law Department research and consider the feasibility of suing the major banks and mortgage lenders that helped bring about the current foreclosure crisis.

BE IT FURTHER RESOLVED, That upon adoption, a copy of this resolution be forwarded to the City Solicitor.

IN CITY COUNCIL  
FEB 19 2009  
READ AND PASSED  
  
PRES.  
  
CLERK

Effective without the  
Mayor's Signature:  
  
Anna M. Stetson  
City Clerk