Chicago Tribune November 4, 2007

Many foreclosed homes are "upside-down", that is, their mortgages were greater than the value of the homes. This condition is the sad byproduct of the easy-lending era that seems to have played out so suddenly -- homes bought with tiny down payments or no down payments or homeowners who have gotten carried away with their ability to use their home equity as a cash register -- with the presumption that home values can only go up, up, up.

Yahoo News November 5, 2007

According to RealtyTrac, foreclosures jumped 30 percent from last quarter. While this usually makes properties more affordable for buyers, today's scarcity of credit makes home ownership difficult for those with limited assets.

Associated Press November 5, 2007

Members of Congress are pushing the Bush administration to accelerate efforts to stem a rising tide of home foreclosures. House Financial Services Committee Chairman Barney Frank and other Democrats on the panel have warned administration officials that time is critical, given statistics showing that 2 million sub-prime mortgages will reset in coming months at much higher monthly payments, greatly raising the risks of defaults.

Submitted by _Jim Thurmer_

at Board Hearing of _11/6/07_

#38

foreclosure.com   (Oct 6)   (Nov 5)   Total of 348 Foreclosures

Zip Code Area	Foreclosure	Pre-Foreclosure	Bankrupt
Camino	2	14	3
Cool	5	7	1
El Dorado Hills	69 (119)	131 (126)	29 (26)
Garden Valley	7 (6)	19 (14)	1 (1)
Georgetown	5	6	0
Mt Aukum	1	3	0
Placerville	22 (49)	76 (84)	26 (24)
Pilot Hill	0	1	1
Pollock Pines	18 (26)	36 (37)	11 (10)
Rescue	10	17	6
Shingle Springs	25 (49)	101 (97)	19 (19)
Somerset	10	24	0
South Lake Tahoe	25 (28)	75 (87)	7 (7)
W South Lake Tahoe	0	4	0
	199	514	104

When the owner of a vacant building fails to actively maintain and manage the building, the building can become a major cause of blight. Vacant buildings that are boarded, substandard or unkempt properties, and long-term vacancies discourage economic development and retard appreciation of property values.

One vacant property that is not actively and well maintained and managed is a nuisance that can attract transients and juveniles; and can be the core and cause of spreading blight.

It is a responsibility of property ownership to prevent owned property from becoming a burden to the neighborhood and community and a threat to the public health, safety, or welfare.

Unfortunately, banks are in the business of lending money, not in the business of owning or maintaining property.

Current El Dorado County Ordinances currently provide tools to compel an owner to abate an abandoned building that has become a public nuisance.

An enforcement problem arises when a property is foreclosed upon and can be sold many times. It becomes difficult to time the enforcement action with a current owner. By the time you can find out who the owner is and attempt to serve them, the ownership has changed.

An ordinance is needed to provide a means to hold an owner responsible for the maintenance of a parcel at a given point in time.

The banks and mortgage companies will then be forced to play "musical chairs", hoping they are not the property owner when the 30 day time limit given to bring the property into compliance has ended.

In response to an increase in vacant buildings due to current economic trends, many jurisdictions have adopted ordinances that require property owners to actively monitor and maintain their property when a building that is not under repair/remodel has become vacant for more than 30 days.

Administrative fees are only required once a property has been out of compliance for over 30 days. Some go as far as to require a building permit for the board up process or a monthly monitoring fee in addition to an administrative fee. One ordinance requires the owner's contact information be prominently displayed on the property.

City of Sacramento Ordinance 2007-060 July 24, 2007

City of Elk Grove Ordinance 35-2006 August 9, 2006

County of Sacramento Ordinance 16.18. October 2007

These ordinances are designed to prevent blight rather than to generate income.