

RESOLUTION NO. 01-20 CMS

A RESOLUTION IN OPPOSITION TO H.B. 386 AND DECLARING AN EMERGENCY

WHEREAS, the State of Ohio is a strong Home Rule State in which municipalities can regulate what the State does not; and,

WHEREAS, H.B. 386 is overly broad in pre-empting local action to protect citizens, particularly since the State of Ohio has failed to enact adequate protections; and,

WHEREAS, there is not a need for a study committee to study the predatory lending problem for the next two-and-a-half years; and,

WHEREAS, predatory lending is wealth stripping rather than wealth building; and,

WHEREAS, predatory lending strips equity from low-and-moderate income homeowners, particularly minorities, the elderly, and women; and,

WHEREAS, predatory loans include such elements as excessive interest rates, balloon payments, inflated appraisal costs, excessive broker fees, and unnecessary credit life insurance; and,

WHEREAS, predatory lenders trap homeowners in bad loans with excessive prepayment penalties, and often fail to provide accurate loan balance and pay-off amounts; and,

WHEREAS, predatory lending practices result in unnecessary foreclosures; and

WHEREAS, local, state and federal governments have made significant investments to expend homeownership and revitalize neighborhoods some of which are being targeted by unscrupulous lenders with equity stripping loans which will further destabilize communities.

NOW, THEREFORE, BE IT RESOLVED that the Council of the City of Oberlin, County of Lorain, State of Ohio, five-sevenths (5/7ths) of all members elected thereto concurring:

SECTION 1. That the City of Oberlin urges the Ohio Senate and Governor Taft to oppose Am. H.B. 386 and that the Clerk of Council forward a certified copy of this Resolution to the appropriate elected officials to make them aware of the impact of this on their communities.

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SECTION 2. It is hereby found and determined that all formal actions of this Council concerning or relating to the adoption of this Resolution were adopted in an open meeting of this Council and that all deliberations of this Council and of any of its committees that resulted in such formal action, were in meetings open to the public in compliance with all legal requirements, including Section 121.22 of the Ohio Revised Code.

SECTION 3. That this Resolution is hereby declared to be an emergency measure necessary for the preservation of the public peace, health and safety of the citizens of the City of Oberlin, Ohio, to wit:

"to respond in a timely fashion to a proposed Ohio House Bill", and shall take effect immediately upon passage.

PASSED: 1st Reading - December 17, 2001 (E)
2nd Reading -
3rd Reading -

ATTEST:

Crystal Howard
CLERK OF COUNCIL

James M. Brumauer
CHAIR OF COUNCIL

POSTED: December 18, 2001

EFFECTIVE DATE: December 18, 2001