

Workshop to Help Those Facing Foreclosure

By Federal D. Glover

After taking part in Sen. Barbara Boxer's roundtable on the foreclosure crisis, she asked me to join her at a recent press conference to speak about the housing foreclosure crisis and how it is affecting District 5 and Contra Costa County.

The picture I painted for her was not very pretty.

Foreclosure filings are up across nearly the entire state, but the greatest impact in the Bay Area has been right here in East County.

The District 5 cities of Pittsburg and Antioch, along with the neighboring City of Brentwood in District 3, represent ground zero for the Bay Area in terms of the number of foreclosures. The three cities' four zip codes were listed in the top 100 worst zip codes in the entire nation for foreclosures, according to a survey by realty firms.

As of December 2007, Antioch's two zip codes had the most filings among Contra Costa County cities with 553 filings, which include default notices, auction notices and bank repossessions. Divided into zip codes, the older portion of Antioch, 94509, had 296 filings. The newer part of Antioch, dubbed southeast Antioch, 94531, had 257 filings.

Compiled by CNNMoney.com, with 430 foreclosure filings, Pittsburg's 94565 zip code was No. 16 in the list of 100 worst zip codes. Antioch's 94509 was at No. 45 and 94531 at No. 61. Brentwood, with 223 filings, came in at No. 80.

No other Contra Costa cities broke the Top 100. The 95206 zip code in Stockton came in at No. 8 after seven Nevada zip codes, all in Las Vegas.

The foreclosure crisis is a symptom of a wider problem, that of uncontrolled sprawl in the suburbs. In the 1980s and 1990s, cities depended on new home fees to increase their treasury. Building permits issued brought in one-time revenues to the cities, which was great in the short-term but in the long run presented as many problems as benefits.

The farm fields and rangeland of East County provided fertile ground for quick and relatively hassle-free development of new and affordable houses. In their quest to grow, the cities embraced the developers and their plans for instant streets and neighborhoods.

The availability of new homes brought in new residents pursuing the American Dream. The urge to buy a home is a strong one, one that could affect one's better judgment.

Besides first-time homebuyers, this environment also invited investors following the get-rich schemes of earlier house-flippers.

The home surplus brought in some lenders with questionable practices, get-rich-quick investors and house flippers flourished. And for a while, East County looked like Boom Town.

As opposed to earlier housing crises, when high unemployment was the main culprit for foreclosures, the main cause for the current crisis is that people are trapped in adjustable rate loans that may have had low initial “teaser” rates, which are now ballooning to levels that exceed their ability to pay. With the plummeting housing market, the strategy of refinancing has been closed for many of the new homeowners.

In February, a foreclosure workshop that I co-sponsored with Assemblyman Mark DeSaulnier and State Sen. Tom Torlakson attracted over 120 people. The attendees heard speakers telling them about the ins-and-outs of the foreclosure process, their legal obligations and how to get past this tumultuous time in their lives. They also heard about the vultures who prey on those vulnerable homeowners.

It was heartbreaking to listen to their stories. They were not gaming the system. They thought the American Dream was within their reach.

The social impact of the foreclosure crisis is also taking a heavy toll on our East County neighborhoods. Communities with high numbers of vacant houses are reporting increased levels of crime and have had to divert additional resources to address this issue. Meanwhile, families experiencing extreme financial hardship are at greater risk of becoming homeless.

During that workshop while listening to some of the people who came, I, along with Assemblyman DeSaulnier and Sen. Torlakson, decided we needed another workshop to help our neighbors.

The next workshop for those facing foreclosure and are already in foreclosure, renters and owners, will be this Saturday, April 19 at the Antioch City Hall starting at 10 a.m. until 1 p.m.

Housing counselors from Pacific Community Services in Pittsburg will be able to meet with homeowners individually. PCS is paid by Housing and Urban Development so their services are free. Several of the counselors are fluent in Spanish.

When we're in financially desperate situations, it's easy to make hasty decisions while grasping for straws. It is important to protect your family and yourself in moments like these by informing yourself, and know that there are agencies and groups available that can help you through these difficult times.

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