

Rep. Honda Hosts Foreclosure Prevention Workshop

Written by Mike Honda
Wednesday, 02 July 2008 19:00

Honda said that given the latest bad news from Wall Street, the rising rates of foreclosures in the Bay Area and nationwide were likely to continue. As a result it is necessary to educate the public about the different options they have available before it is too late. The workshop was held at the Berryessa Branch Library in San Jose, and was attended by dozens of area residents.

“The most important asset for many of us is our home,” Honda said. “Keeping hard working people in their homes should be a top economic priority for policy makers. It certainly is for me and many of my colleagues in Congress.”

Since March 2007, the number of notices of default sent out each month in Santa Clara County has nearly tripled from 400 to almost 1200. The number of foreclosures currently listed in San Jose is 5,799. Honda said often minority communities are the hardest hit. In two Alum Rock Zip codes – where the population is two thirds Hispanic- there are currently 1,618 homes in foreclosure.

At the workshop, counselors from agencies such as the U.S. Department for Housing and Urban Development (HUD), gave residents an overview of the many programs available free of charge to distressed homeowners. Donna Martin, a HUD representative, said that once homeowners receive foreclosure notices, they will be flooded with “offers” for counseling that are often costly. Most of that counseling, she told those in attendance, is given free of charge through HUD or through agencies approved by HUD. The workshop was also attended by non-profit and local government agencies. Those were Catholic Charities of Silicon Valley; Consumer Credit Counseling Service of Santa Clara County; Family and Children Services; Neighborhood Housing Services of Silicon Valley; Project Sentinel; Acorn Housing; and the City of San Jose Housing Dept.

Honda said it is critical to distribute this information to homeowners at risk, especially given the latest economic news.

Figures from important sectors to the American economy, such as the auto industry, indicated unemployment would continue to rise into 2009, economists said Wednesday. Ford, for example, had a drop in sales of almost 28 percent and Starbucks announced the closing of 600 stores nationwide, with 12,000 job losses expected. Also, the Department of Labor reported that in June, the economy lost 62,000 jobs.

“Homeowners have been in pain for a while because of the credit crisis, rising gas prices, and frankly, misguided economic policies from the Bush Administration. This week’s news only compounds an already dismal outlook,” Honda said. “In the short term, what we can do as policy makers is ensure homeowners are aware of the different options they have to prevent them from their losing their shelter. I will continue to work with my colleagues on more long term solutions.”