



City of Newark

City Hall
920 Broad Street
Newark, New Jersey 07102

Legislation Text

File #: 11-1522, **Version:** 1

Dept/ Agency: Offices of Municipal Council/City Clerk

Action: () Ratifying (X) Authorizing () Amending

Type of Service: Establishing the Newark Municipal Council's position on the housing crisis in The City of Newark.

Purpose: Urging The State of New Jersey to declare a moratorium on mortgage foreclosures in the County of Essex and the City of Newark until the homes are reevaluated for their true market worth.

Entity Name: Newark Municipal Council

Entity Address: 920 Broad Street, Newark, NJ 07102

Contract Basis: N/A

Additional Information: N/A

Sponsor: Crump

WHEREAS, the New Jersey State Constitution (Article I.2.a) reads, "All political power is inherent in the people. Government is instituted for the protection, security and benefit of the people, and they have the right at all times to alter or reform the same, whenever the public good may require it"; and

WHEREAS the New Jersey Constitution says (Article I.) "all persons are by nature free and independent, and have certain natural and unalienable rights, among which are those of enjoying and defending life and liberty, of acquiring , possessing, and protecting property, and of pursuing and obtaining safety and happiness"; and

WHEREAS, the Municipal Council of The City of Newark is instituted for the protection, security, and benefit of the people of Newark, New Jersey; and

WHEREAS, the Housing Crisis of 2008 has had devastating consequences on the life, liberty and pursuit of happiness on the people of the City of Newark; and

WHEREAS, Essex County is among the worst hit by the national foreclosure crisis; and

WHEREAS, the Financial Crash of 2008 was a direct result of the Housing Crisis; and

WHEREAS, standard econometric tools can be used to measure the overvaluation by lending institutions from 1998-2007; and

WHEREAS, the Financial Crash of 2008 has had a devastating effects on the ability of the City of Newark to provide for the common good of its citizens, leading to mass layoffs, library closings and

tax hikes; and

WHEREAS, the financial strain of foreclosures has and will have an overwhelming effect on the citizens of the City of Newark; and

WHEREAS, there has been no significant investigation on the State and Federal levels that assigns blame to the perpetrators of the Housing Crisis, nor has relief been offered to its victims.

NOW THEREFORE, BE IT RESOLVED BY THE MUNICIPAL COUNCIL OF THE CITY OF NEWARK, NEW JERSEY; THAT:

1. The State of New Jersey should declare a moratorium on mortgage foreclosures in the County of Essex and the City of Newark until the homes are reevaluated for their true market worth.
2. The Essex County Sheriff's Office should be required to cease and desist in any attempts to evict residents from their homes based on mortgage foreclosures.
3. All loans based on overvaluation should be dissolved and that these loans be modified to reflect their true market worth.

STATEMENT

This Resolution urges action by the State of New Jersey and County of Essex to provide relief to homeowners caught in the current mortgage foreclosure crisis