

GET Committee

From: Wakefield, Rebecca <RWakefield@miamigov.com>
Sent: Monday, September 16, 2019 9:07 AM
To: GET Committee
Subject: Re: County Communication 19-337
Attachments: TESTIMONY OF MIAMI CITY COMMISSION CHAIRMAN KEN RUSSELL (002).pdf

Please accept the following comments of Chairman Ken Russell re: County Communication 19-337.

Best regards,

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TESTIMONY OF MIAMI CITY COMMISSION CHAIRMAN KEN RUSSELL

COUNCIL OF THE COUNTY OF MAUI

GOVERNANCE, ETHICS, AND
TRANSPARENCY COMMITTEE

Tuesday, September 17, 2019 at 9:00 a.m.

Chairman Molina:

Thank you for the opportunity to provide testimony for today's hearing under GET-19. I am writing to express my support for County Communication 19-337.

As Chairman of the Miami City Commission, I welcome the prospect of local governments collaborating to tackle the shared affordable housing problems our communities face in the wake of the financial collapse caused by the misconduct of large financial institutions like Bank of America. Miami is ground zero for the affordability crisis but we recognize this issue is hitting cities across the country. I find it very encouraging that Maui County is taking a look at every option to hold banks accountable, to help not only the most vulnerable populations, but also the middle class, so all can afford to live where they work and their children go to school.

On June 13, 2019, the City of Miami Commission approved Resolution 6021 which outlines the creation of a Foreclosure Sanctions Affordable Housing Trust Fund. Miami Mayor Francis Suarez and I sponsored the resolution which provides a vessel for any court to impose sanctions against a lender or their legal counsel "in any foreclosure involving fraud on the court including but not limited to forgery, perjury, obstruction of justice, destruction of evidence, backdating of records, and/or defiance of court orders related to evidence of standing to foreclose or any false claims about a loan boarding process used to admit documents under false pretenses.

I have personally observed Bruce Jacobs argue for such sanctions. Mr. Jacobs is presently seeking sanctions for systemic, widespread frauds on the court from several trial courts and Florida's Third District Court of Appeal which has jurisdiction over the City of Miami. Should any court impose a monetary sanction for the misconduct he is prosecuting, that money could be held in an account dedicated to fight the affordable housing crisis throughout Miami and the state of Florida.

The City of Miami has fought to the U.S. Supreme Court where it recently won the right to sue Bank of America, and other large financial institutions, under the Fair Housing Act for redlining (refusing to offer loans to minority communities) and reverse redlining (offering predatory subprime loans to those minority communities). These racially biased practices violated the Fair Housing Act, resulted in expedited foreclosures, and caused Miami to lose out

on valuable tax revenue while necessitating additional spending on emergency services. Unfortunately, the City of Miami continues to struggle with insufficient affordable housing and rampant foreclosures.

The U.S. Supreme Court decision has opened a path for the City of Miami to pursue significant damages for the same harm to Miami that Resolution 19-337 describes has harmed the County of Maui. Bank of America's alleged bad acts also exacerbated Miami's affordable housing crisis, negatively impacted its economy, resulted in decreased real property tax revenue, and increased Miami's expenditures related to housing and social services.

The City of Miami is constantly looking for ways to fight for our residents. The Foreclosure Sanctions Affordable Housing Trust Fund was designed to give courts an outlet for tackling Miami's affordable housing problem. Resolution 6021 gives judges a vessel to exact justice, to create an affordable housing solution, and to command respect for the rule of law, all at the same time. I recognize this approach is unorthodox, but I know what's out there now is not working. I welcome the County of Maui and other local governments to join the City of Miami in this fight to hold banks accountable to the rule of law and provide relief for our citizens.