

RESOLUTION R-2002-083

Encourage Elimination of Predatory Lending Practices

WHEREAS, the Mayor and City Council of the City of Columbia, South Carolina understand that the need for access to reasonable and affordable credit is critical to the financial well being of all citizens; and,

WHEREAS, access to reasonable and affordable credit is critical for an individual or family's ability to maintain affordable housing in the City of Columbia; and,

WHEREAS, the need for access to reasonable and affordable credit is critical to the financial health and well being for all of the City of Columbia's citizens; and,

WHEREAS, the extension of abusive and expensive credit by certain lending institutions is detrimental to individual consumers and the entire community; and,

WHEREAS, the ability to maintain affordable housing is an important issue that affects the quality of life of residents in the City of Columbia; and,

WHEREAS, certain abusive and predatory practices among some members of the lending community that include excessive charges, fees and costs, repeated refinancing and extending credit that is beyond the consumer's ability to repay, causes consumer borrowers financial distress, ruins their personal credit rating and often results in the eventual loss of the consumer's money, property and/or home; and,

WHEREAS, abusive or predatory lending practices in the City of Columbia has increased for many of our low and moderate income citizens in that for some citizens, it has made home ownership impossible to obtain due to ruined credit; and,

WHEREAS, abusive and predatory lending practices have resulted in some citizens of the City of Columbia to loose their home through stripping the existing home equity, particularly our elderly home owners; and,

WHEREAS, the lenders of such abusive financial practices often target low and moderate income neighborhoods in the City of Columbia; and,

WHEREAS, that through these abusive and targeted predatory lending practices, citizens in the City of Columbia are often faced with losing their homes and their ability to maintain any of their accumulated wealth; and,

WHEREAS, such abusive and predatory lending practices not only strip the individual consumer of his or her wealth, but also strips the wealth from our entire community sending it outside our state; and,

ORIGINAL
STAMPED IN REC

WHEREAS, strong pro consumer, anti-predatory lending legislation has been enacted in North Carolina and Georgia without having any adverse impact on the availability of credit for low income borrowers; and,

WHEREAS, the Mayor and City Council will work to insure that predatory lending practices of financial institutions in the City of Columbia are not tolerated as practices of financial institutions and lenders, and will cease; NOW, THEREFORE,

BE IT RESOLVED by the Mayor and City Council of the City of Columbia, South Carolina this 18th day of December, 2002, that the Mayor and Council will actively encourage and pursue the elimination of abusive and predatory lending practices that take place in the City of Columbia.


BE IT FURTHER RESOLVED that the City will pursue the enactment of anti-predatory lending legislation that will end abusive lending practices of excessive charges, fees and costs, repeated refinancing and extending credit that is beyond the consumer's ability to repay.

BE IT FURTHER RESOLVED that the City will request that our legislative delegation introduce, support and actively work for the passage of anti-predatory legislation with protections that are included in the laws of our sister states, North Carolina and Georgia, to ensure and end to the continued stripping of wealth from the citizens of the City of Columbia.

BE IT FURTHER RESOLVED that the City will encourage our sister cities and counties, along with the Municipal Association, to join in this effort to pass effective anti-predatory lending legislation to end the stripping of wealth from all South Carolinians through these abusive and predatory lending practices.


BE IT FURTHER RESOLVED that the City will ensure that ending abusive and predatory lending practices will have priority for the City of Columbia.

Requested by:




Mayor

Approved by:



City Manager

Approved as to form:



City Attorney

ATTEST:



City Clerk

Introduced: 12/18/2002

Final Reading: 12/18/2002

ORIGINAL
STAMPED IN RECORDS