

VIRGINIA FORECLOSURE TASK FORCE

MINUTES OF THE MEETING OF THE VIRGINIA FORECLOSURE TASK FORCE HELD ON JUNE 21, 2011

Pursuant to the call of the Task Force Chairman, the meeting of the Virginia Foreclosure Task Force was held on June 21, 2011 at the General Assembly Building, 1000 Bank Street, Richmond, VA 23219.

Members Present

The Honorable Terrie Suit, Chairman
Paul "Chip" Bliley
Mary Ann Bryant
Carrie Cantrell
Connie Chamberlin
Kai Degner
Susan Dewey
Gordon Dixon
Joe Face
John Frey
Virginia Holman
Mark Kubiak
Marjorie Leon
Roxanne Lockett
John Powell
Jay Speer

Guest Speakers

The Honorable Kenneth Alexander, Virginia Delegate
Chip Bliley, Williams Mullen
Shelly Murphy, Piedmont Housing Alliance

Public Comment Speaker

Tom Domonoske, Legal Aid Justice Center

The meeting of the Virginia Foreclosure Task Force was called to order by Chairman Suit at approximately 1:06 p.m. All of the members of the Task Force listed above as being present at the meeting were present at that time and remained present throughout the meeting, with the exception of Ms. Leon and Ms. Chamberlin who joined the meeting in progress as noted below.

Chairman Suit began the meeting by introducing Mr. Degner as a new member of the Foreclosure Task Force. Chairman Suit noted that Mr. Degner is a City Councilman from Harrisonburg. Chairman Suit also noted that Delegate Alexander from Norfolk was attending as a guest speaker in support of House Bill 1665.

Chairman Suit stated that the purpose of the meeting was to address the right to cure, the duty to respond to inquiries, and the remedies for fraud as part of the overall foreclosure process. At this time, Ms. Leon joined the meeting in progress.

Mr. Barry Merchant, Senior Policy Analyst with Virginia Housing Development Authority, presented a report on the status of Virginia's foreclosure problem. Mr. Merchant also discussed changes in foreclosure trends in Virginia. During this presentation, Ms. Chamberlin joined the meeting in progress.

Ms. Dewey and Ms. Watson, Director of Homeownership Development at Virginia Housing Development Authority, provided an overview of HUD's Emergency Homeowners Loan Program. Ms. Watson reported that Virginia was being awarded \$44 million which was targeted to provide financial assistance to an estimated 1,020 households at risk of foreclosure due to underemployment or unemployment because of economic or medical conditions.

Ms. Dewey reported on the Housing Counseling Grant Program created by Virginia Housing Development Authority and funded with \$700,000 of its REACH dollars. Ms. Dewey commented that this program was just for the FY ending 6/20/2012 and was created to offset the \$1.2 million reduction of federal grant funds for housing counseling services in Virginia. Ms. Leon and Ms. Chamberlin spoke in favor of the new grant program and also commented on the difficulties of implementing the Emergency Homeowners Loan Program. Ms. Chamberlin recommended that the task force write letters to members of the General Assembly expressing the importance of the counseling program. Chairman Suit commented that the issue can be taken to the Governor's policy office.

Mr. McKellar, General Counsel for Virginia Housing Development Authority provided a brief summary of the provisions of House Bills 1665, 1506, 2473, and Senate Bill 837 relating to rights, duties and remedies in the foreclosure process. Delegate Alexander spoke in support of House Bill 1665. Mr. Bliley and Ms. Murphy commented on their perspective on the foreclosure issues addressed by these bills.

Chairman Suit called for public comment. Mr. Domonoske presented comments relating to the recovery of attorney's fees in cases filed by borrowers asserting violations of legal requirements in the foreclosure process. Mr. Domonoske also provided a handout on recent developments in Virginia foreclosure law and a summary of recent cases analyzing Virginia foreclosure law.

Chairman Suit noted that the next Foreclosure Task Force meeting will be held on September 20 in House Room C of the General Assembly Building. There being no further comments, Chairman Suit adjourned the meeting at approximately 2:10 p.m.