



Minneapolis-Saint Paul Regional Foreclosure Prevention Funders Council

Federal Reserve Conference
October 4, 2007



Funders Council Background

- Goal: create a **healthy housing market** by **focusing existing and future investments** to address the surge in residential mortgage foreclosures and to thereby **revitalize the neighborhoods** affected by foreclosure
- **3 stages**: pre-purchase, post-purchase, and remediation
- Funding: **Family Housing Fund**



Funders Council Background

- a **nonpartisan effort** with collaborating members that bring experience and funding tools
- a **mechanism** to review and analyze existing tools and resources
- a **coordinated effort** to develop and utilize tools, approaches, and funding initiatives

Funders Council Background

- Funders Council Members:
 - City of Minneapolis
 - City of Saint Paul
 - Emerging Markets Homeownership Initiative
 - Family Housing Fund
 - Fannie Mae
 - Greater Metropolitan Housing Corporation
 - Greater Minnesota Housing Fund
 - Hennepin County
 - Home Ownership Center
 - HousingLink
 - Minnesota Housing
 - Ramsey County



Funders Council Background

- Others working with the Funders Council:
 - Community development corporations
 - Federal and local housing authorities
 - Federal Reserve
 - Legal assistance providers
 - Mortgage companies
 - Neighborhood councils and community Organizations
 - Realtors
 - University of Minnesota



Funders Council

As a result of increase in quantities of vacant
and abandoned properties

- Problems faced
 - Code enforcement
 - Public safety
 - Property values
 - Disinvestment
 - Acquisition and redevelopment subsidies
 - Nuisance
- Scope: individual, community, city



Funders Council

To address increase in quantities of vacant and abandoned properties

- Strategies to Address
 - Don't Borrow Trouble communications
 - Early warning systems and other data systems
 - Educate realtors
 - Encourage long-term owner-occupied home purchasing in affected areas
 - Existing tools and funding sources analysis
 - Habitat for Humanity redevelopment initiative
 - Increase capacity of foreclosure prevention counseling service providers
 - Increase use of property donation programs



Funders Council

To address increase in quantities of vacant and abandoned properties

- Strategies to Address
 - Invest Saint Paul Outreach
 - Legislative proposals – federal, state, local
 - Pilot project to coordinate property management
 - Strategic Acquisition Fund and other initiatives
 - Streamline communications with servicers
 - Waste prevention discussions with servicers
 - Working with mortgage companies to identify organizational contacts, brainstorm public-private solutions, discounts, new products



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