

*National Neighborhood Indicators Partnership
Cross-Site Foreclosure Project*

**Washington, D.C.
Work Plan**

Prepared by
Peter A. Tatian
NeighborhoodInfo DC

Prepared for
NeighborWorks® America

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The Urban Institute
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Washington, DC 20037

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BACKGROUND

This document describes how the national rise in foreclosure rates is playing out in the Washington, D.C., region and enumerates the local responses to the challenges posed by increasing home foreclosures. It further lays out a work plan to be undertaken by NeighborhoodInfo DC to support efforts in the Washington, D.C., region to assist homeowners and neighborhoods adversely affected by foreclosures. This work is being carried out as part of a cross-site project launched by the Urban Institute and the National Neighborhood Indicators Partnership (NNIP), and funded by Fannie Mae, to help local stakeholders in Atlanta, Chicago, and Washington, D.C., design more effective data-driven strategies to address the foreclosure crisis.

Coordinated by the Urban Institute, NNIP is a network of local organizations in 31 cities that operate neighborhood-level data systems for use in policy making and community action. Many of the local NNIP partners have already been assembling and analyzing information to understand how the foreclosure crisis is playing out in their areas. The problem, and its likely effects, vary substantially across cities and across neighborhoods within cities. Good data and analysis of the dynamics of neighborhood change are vital to addressing the issue effectively.

Washington's NNIP partner is NeighborhoodInfo DC (a collaboration between the Urban Institute and the Washington DC Local Initiatives Support Corporation). NeighborhoodInfo DC has conducted a number of studies of subprime lending and foreclosure patterns in Washington, D.C., and its region in the past few years. Through the development and application of tools to monitor affordable housing in the city, NeighborhoodInfo DC has built a close relationship with two organizations that are at the forefront of advocating for better and more comprehensive housing policies in the city: the Affordable Housing Alliance (AHA) and the Coalition for Nonprofit Housing and Economic Development (CNHED). NeighborhoodInfo DC also has good working relationships with a number of key District of Columbia agencies relevant to the foreclosure issues, including the Department of Housing and Community Development, the Department of Insurance, Securities, and Banking, the Office of Planning, the Office of the Chief Technology Officer, and the Office of the Deputy Mayor for Planning and Economic Development.

NeighborhoodInfo DC will build on these existing relationships in the District of Columbia to create data-driven tools that will support better tracking of foreclosures in the city and improved coordination and effectiveness of efforts to respond to the growing crisis. These tools will include analysis of neighborhood and metropolitan market conditions to assess, not only the risk of foreclosure at the neighborhood level, but also the possible types of impacts expected in different types of neighborhoods. Where possible, we will also provide deeper analyses to learn



more about the likely effects of foreclosure on the lives of families, on the well-being of neighborhoods (e.g., property values and crime), and on their cities (e.g., fiscal implications). We will apply results from the above analyses to inform local teams (consisting of NNIP partners, public agencies, private actors, and nonprofits) that are addressing the foreclosure fallout. We expect the data to be used to help target assistance, design appropriate mixes of program interventions for different types of neighborhoods, and monitor results.

As described above, NeighborhoodInfo DC hopes to develop and test an approach to neighborhood risk assessment and impact analysis in collaboration with public agencies and organizations in the District of Columbia. Our goal is then to apply this approach in one or more of Washington's suburban jurisdictions. Key candidates for participation in this effort include two areas severely affected by the foreclosure crisis, Prince George's County, Maryland (which had the 17th highest subprime lending rate of large counties in the U.S.), and Prince William County, Virginia. NeighborhoodInfo DC also plans to collaborate with the Metropolitan Washington Council of Governments, which has taken a keen interest in tracking and coordinating local responses to the foreclosure crisis.

SUBPRIME LENDING AND FORECLOSURES IN THE WASHINGTON REGION

As has been widely acknowledged, most of the recent increases in rates of mortgage default and foreclosure have been a result of the proliferation of subprime and high-cost mortgage loans to high-risk borrowers. Subprime lending reached a recent peak in the Washington, D.C., metropolitan area in 2005. The percentage of new conventional home purchase and refinance mortgages issued by subprime lenders was 17.6 percent in the region in 2005.¹ This was an increase from 15.1 percent in 2004 and more than three times the share of subprime loans in 2001 (5.5 percent). Furthermore, one out of every four (25 percent) home-purchase and refinance mortgage loans issued in the Washington, D.C., region in 2005 had high interest rates.²

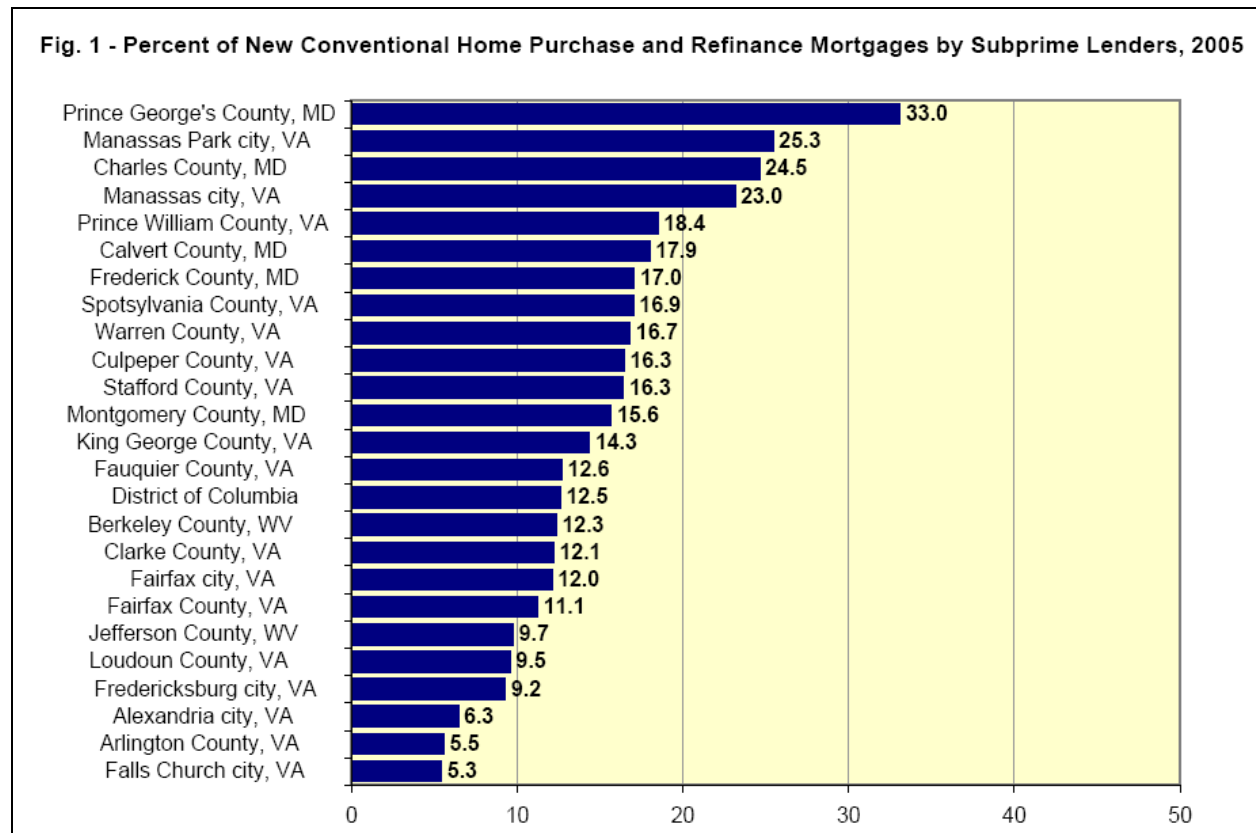
Figures 1 and 2 show the proportion of subprime and high-cost loans in jurisdictions across the Washington, D.C., region in 2005. The highest rates of subprime lending and high

¹ The designation of subprime lenders is based on the U.S. Department of Housing and Urban Development's (HUD) list of subprime specialists. HUD classifies mortgage lenders as subprime specialists if subprime loans account for at least half of their conventional (i.e., not government-backed or insured) business. HUD also uses feedback from lenders, policy analysts, and housing advocacy groups to update the list of subprime lenders (Pettit and Drosch 2005, 8).

² High interest rate loans have annual percentage interest rates exceeding the comparable U.S. Treasury yield by 3 percentage points or more, for first liens, and by 5 points or more, for second liens.



interest rate loans were in Prince George's County, Maryland, and several of the further Maryland and Virginia suburban jurisdictions. One out of every three home purchase and refinance loans (33.0 percent) in Prince George's County was issued by subprime lenders in 2005 (figure 1), and 44.0 percent were high interest rate loans, the highest rates among all jurisdictions in the region (figure 2). Other jurisdictions with large shares of subprime and high-cost loans were Manassas Park city, Manassas city, and Prince William County, Virginia; and Charles County, Maryland.

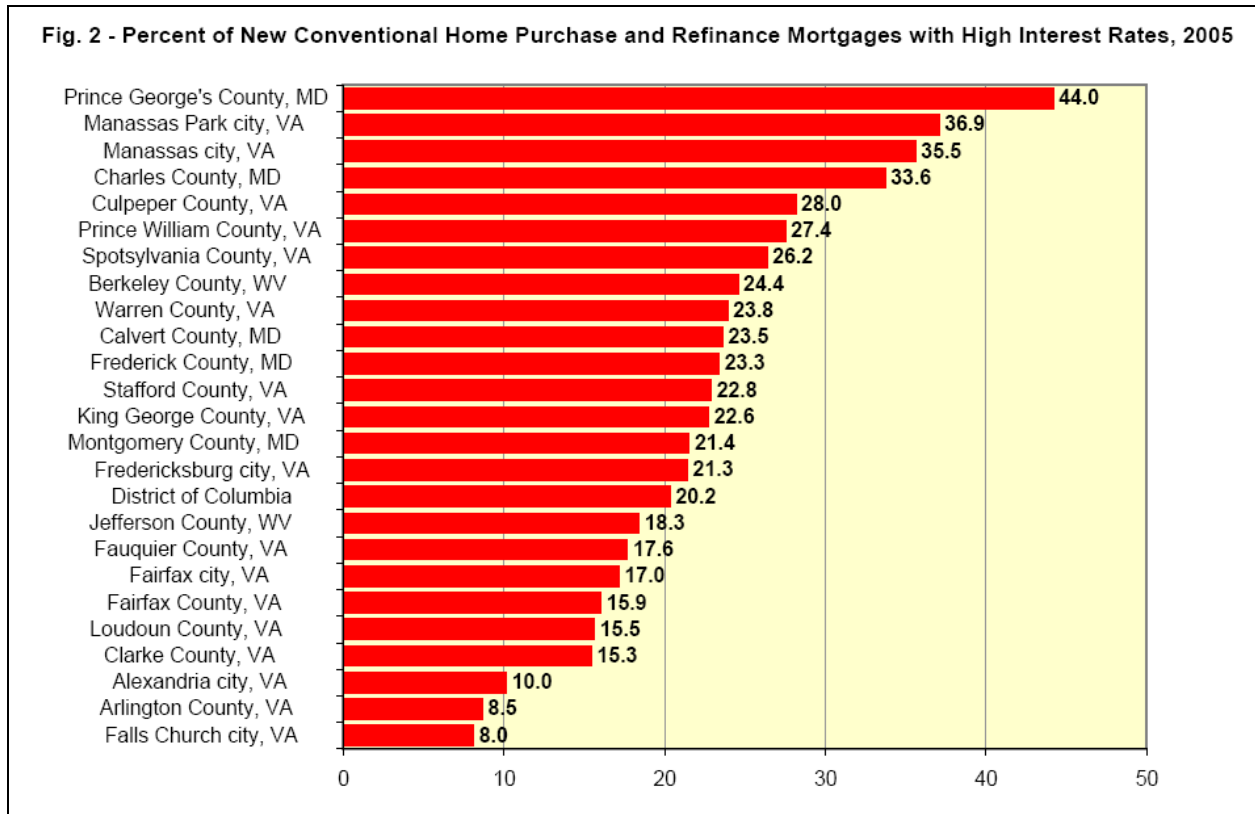


Although not among the areas with the highest use of subprime loans, the shares of loans from subprime lenders in the District of Columbia increased sharply since the beginning of the decade. In the District of Columbia, shares of loans from subprime lenders shot up from 8.0 percent in 2004 to 12.5 percent in 2005, a dramatic increase from a low of 3.2 percent in 2002.

Furthermore, the relatively lower overall subprime and high-cost lending rates in the District of Columbia masks neighborhood-level concentrations of risky loans. Home buyers in D.C. Wards 5, 7, and 8 were over 12 times more likely to take out a high interest rate loan than were buyers in more affluent Ward 3. While only 3.1 percent of home purchase loans in Ward 3 were high interest rate loans, Wards 7 and 8 had the most prevalent use of such loans, 44.3 and 45.0 percent, respectively.



The subsequent wave of mortgage delinquencies and foreclosures has largely followed the geographic patterns of subprime lending described above. For example, citing data provided by RealtyTrac®, Gazette.Net (2008) reported that Prince George's County had the highest foreclosure filing rate in the state of Maryland in August 2007, with 1 filing per every 341 households. Prince George's was also the only county in the state with a foreclosure rate higher than the U.S. average. More recent data from RealtyTrac (2008) show that the level of foreclosure activity in the county has remained steady through October 2008.



Because of previous work collecting foreclosure and property records in the District of Columbia, NeighborhoodInfo DC can track, in great detail, foreclosure activity in the city and its neighborhoods. According to data from the D.C. Recorder of Deeds analyzed by NeighborhoodInfo DC, the number of notices of foreclosure sale filed against residential property owners has almost doubled between 2005 and 2007 (table 1).³ The most notices filed in 2007 were in Ward 5 (523 notices), Ward 7 (462), and Ward 4 (393).

³ These notices do not represent final foreclosures against property owners, but are a legal requirement for a lenders to notify the borrower of their intention to begin foreclosure proceedings. Upon receiving this notice, borrowers still have an opportunity to cure the default and prevent a foreclosure sale from occurring.



Table 1. Notices of Foreclosure Sale for Residential Property by Year and Ward, Washington, D.C., 2001–2007

	Notices Issued by Year							
	Total	2001	2002	2003	2004	2005	2006	2007
D.C. Total	13,621	2,286	2,327	2,147	1,695	1,221	1,515	2,430
Ward 1	1,229	223	197	180	134	109	161	225
Ward 2	599	72	80	64	63	60	94	166
Ward 3	296	33	36	40	43	46	34	64
Ward 4	2,187	355	378	389	242	186	244	393
Ward 5	3,073	600	519	460	379	249	343	523
Ward 6	1,807	337	338	270	200	144	180	338
Ward 7	2,793	425	475	492	395	266	278	462
Ward 8	1,626	240	304	250	236	157	180	259
Unknown	11	1	-	2	3	4	1	-

Source: D.C. Recorder of Deeds data tabulated by NeighborhoodInfo DC.

Although the year is not yet over, foreclosure filing rates in 2008 in the District of Columbia have already surpassed those in 2007. Through the first three quarters of this year, 33 notices of foreclosure sale were filed per every 1,000 single family homes or condominium units in the city, higher than the 28 notices per 1,000 units for all of 2007, and more than twice the rate of 15 in 2005. Furthermore, the rate of foreclosure notice filings east of the Anacostia River (Wards 7 and 8) for the first three quarters of 2008 was 60 per 1,000 single-family homes or condominium units, almost double the city average.

Clearly, then, the foreclosure problem in Washington, D.C., and its region is continuing to grow. The next section will identify the institutions attempting to address the rising trend of foreclosures and summarize their activities.

INSTITUTIONAL SCAN

In this section we describe the institutions, public and private, engaged in addressing the foreclosure crisis. Since our past and current work is focused on the District of Columbia, we provide the most detail on the city’s responses. This information is based on conversations with a number of persons in the city agencies and organizations who are directly connected to foreclosure prevention or mitigation efforts.



District of Columbia – Government Response

Despite the trend of increasing foreclosure filings, awareness of, and concern about, foreclosure problems have been slow to take hold in the District of Columbia. Most of the informants to whom we spoke mentioned this as a key obstacle in developing an effective and robust city response to the foreclosure crisis. Nonetheless, there are signs that concern about the problem is starting to reach the attention of the city's leadership.

For example, in the past month, representatives of several District of Columbia departments and agencies met to discuss their individual responses to the mounting foreclosure problems in the city and explore how they might better coordinate their efforts. Among this group were representatives of the following public entities:

The Department of Housing and Community Development (DHCD). DHCD is responsible for administering much of the city's housing funds, including development money from the federal Community Development Block Grant and HOME programs and the local Affordable Housing Trust Fund. DHCD also operates the city's Housing Purchase Assistance Program (HPAP), which provides interest-free and low-interest loans to eligible homebuyers.

One of DHCD's principal responses to the foreclosure problem has been through its homeowner counseling program. DHCD provides funding to local community-based organizations to counsel troubled homeowners. Organizations partnering with DHCD to provide foreclosure counseling include Lydia's House, Housing Counseling Services, and University Legal Services. DHCD refers inquiries from troubled homeowners directly to these counseling organizations.

DHCD is also the agency responsible for administering the city's allocation of the federal Neighborhood Stabilization Program (NSP) funds. The District of Columbia has been allocated \$2.8 million dollars from the NSP, which can be used to acquire, rehabilitate, demolish, and rebuild foreclosed homes. In its application to HUD for the NSP funding, the District of Columbia stated its intention to use the funds in the Ivy City/Trinidad neighborhoods in Ward 5. As noted in the application, 84 percent of Ivy City/Trinidad's residents have incomes below 120 percent of area median, and the area has a HUD estimated foreclosure abandonment risk score of nine out of ten. These neighborhoods have also been a focus of intense redevelopment planning by the city and its partners. The city has already acquired 37 vacant properties that will be redeveloped to revitalize the area.

DHCD has been using several sources of data to track foreclosure trends in the city and its neighborhoods. DHCD has accessed notices of trustee deed sales from the D.C. Recorder of Deeds to track actual foreclosures. (A trustee deed sales occurs when the mortgage trustee sells a property in default under a foreclosure proceeding.) These data were included in the city's NSP application and were presented both in map form and summarized by city ward and



calendar year. DHCD also has used home sales data from MRIS for price trends by ZIP code and Home Mortgage Disclosure Act data on subprime lending.

The Department of Insurance, Securities, and Banking (DISB). DISB is the city department responsible for oversight and regulation of financial services in the District of Columbia, which includes entities that engage in mortgage lending. DISB's main responses to the foreclosure problems facing city residents have been through education and outreach activities and through foreclosure counseling and counseling referrals.

According to informants in the department, DISB has conducted a very "visible and extensive" outreach campaign to educate citizens about the best way to address mortgage difficulties. The department, through its public advocate, has held a number of outreach events in the city to provide information to homeowners who may be facing foreclosure. Information distributed at these events includes a "foreclosure mitigation kit," which DISB developed in July 2008. The kit includes advice for homeowners on how to deal with a possible foreclosure, phone numbers of city agencies and housing counseling organizations, and HUD informational materials on foreclosure. In addition to providing copies through city events, the foreclosure mitigation kit is also available on DISB's web site.⁴

Although the events have been successful, DISB informants noted that it is often difficult to get people to come forward with their mortgage problems because of the "shame factor" involved in discussing financial difficulties. They felt that more effort was needed to reach out to troubled homeowners early, so that they would have a better chance of avoiding foreclosure.

In addition to outreach and education, DISB also does counseling referrals and a limited amount of direct counseling for troubled homeowners. Through its consumer complaint hotline, DISB is receiving about 15 calls per quarter with formal complaints or requests for assistance from persons facing mortgage problems. DISB refers many of these calls to HUD authorized counseling agencies in the city, but the department has one staff person who does direct counseling as well. The DISB informants noted that, in cases where the mortgage servicer is an entity subject to DISB oversight, the department can often get a more receptive response than the homeowner. In many cases, DISB counseling has been able to defer foreclosure so that the homeowner has more time to obtain a work out or even a mortgage modification. Although effective, because of budget constraints DISB cannot devote more resources to direct counseling services.⁵

⁴ <http://disb.dc.gov/disr/cwp/view,a,1299,q,635470.asp>

⁵ DISB's budget has been affected directly by the housing market slowdown. A significant portion of the revenues for DISB's Banking Bureau are from fees paid by mortgage originators and brokers. Since mortgage lending activity has declined, revenues from fees have dropped as well, meaning that DISB has fewer resources for helping troubled homeowners.



Like DHCD, DISB has been using data from the D.C. Recorder of Deeds to look at where foreclosure problems are the most severe in the city. DISB has challenges in using the ROD data, however, because they can only summarize them by ZIP code, and not by ward or neighborhood. DISB has also looked at quarterly data from the Mortgage Bankers Association on defaults and foreclosures to compare the city with other states.

The D.C. Housing Finance Agency (HFA). The HFA was established in 1979 to stimulate and expand homeownership and rental housing opportunities in Washington, D.C. HFA issues mortgage revenue bonds that lower homebuyers' costs of purchasing and rehabilitating homes and developers' costs of acquiring, constructing and rehabilitating rental housing. HFA operates the *Home Resource Center*, which provides individual credit and budget counseling, as well as housing counseling for special projects. HFA also conducts workshops for potential homebuyers.

HFA has one counselor who does foreclosure loss mitigation counseling. Most of the inquiries HFA receives are referred to DHCD-funded counseling agencies in the city. Countrywide, which is the mortgage servicer for HFA's lending products, also does loss mitigation for HFA for persons 30, 60, and 90+ days in default on their loan payments. Although delinquencies in HFA-financed home purchases had been negligible in the past, they are becoming a growing concern.

HFA has been studying the idea of using bond financing to refinance homeowners out of subprime loans. (The federal government has opened a two-year window to use bond proceeds for refinance loans.) HFA has been studying similar programs already implemented in Ohio and Massachusetts. These programs have had difficulty getting people approved for refinance loans, however, because of the problem of creating reasonable underwriting guidelines that allow homeowners to qualify. Until someone works out a better model for such a program, HFA has concluded this would not be a productive approach.

One of the problems in dealing more effectively with the foreclosure problem, HFA informants pointed out, is that the District of Columbia has no money set aside to help families in the foreclosure process. Apart from the new NSP program, there are no grants or housing production trust fund resources available to help struggling borrowers.

HFA has been using data from the D.C. Recorder of Deeds and RealtyTrac® to track foreclosures in the city. HFA uses RealtyTrac to examine ZIP codes where foreclosures are more severe. The most recent data they have examined were from August.

Other city agencies engaged with some aspect of the foreclosure problem include the Office of the Deputy Mayor for Planning and Economic Development, the Office of Planning, the Office of the Tenant Advocate, and the Department of Consumer and Regulatory Affairs.

The D.C. Council. The D.C. Counsel has not been terribly active in addressing the foreclosure problem to date. Councilmember's Barry and Cheh had a joint hearing in 2008, in



which foreclosures and other housing issues were discussed. The most notable legislative effort was the introduction of the “Fairness in Foreclosure Act” (Bill 17-579) by councilmember Cheh. This proposed legislation would have, among other things, changed D.C. from a purely administrative to a quasi-judicial foreclosure process. The bill would have also lengthened the time before a foreclosure could be completed to a minimum of 90 days after the default occurred or 45 days after the notice of intent to foreclose was sent, whichever was longer.

The proposed legislation was withdrawn, however, because of a lack of political support and resistance from the D.C. Courts, which would not have received any additional funding to carry out the new responsibilities required by the law. A representative from Councilmember Cheh’s office said that the legislation may be reintroduced, in a modified form, in the next Council session.⁶

District of Columbia – Nongovernment Response

In addition, a number of non-government entities have developed responses to the local foreclosure crisis. **Housing Counseling Services (HCS)** is one of the local nonprofit organizations receiving funding from DHCD to counsel troubled homeowners. HCS has conducted clinics throughout the city, but has also expanded its outreach to troubled homeowners to include direct, “door-knocking” campaigns to try to reach people before it is too late. HCS informants stressed the need to get to homeowners *before* they start negotiations with lenders or servicers. From their perspective, homeowners need someone knowledgeable and experienced working on their behalf to avoid making “bad deals” on workouts, modifications, or refinancing.

HCS is now partnering with the District of Columbia Bar and the Legal Aid Society of the District of Columbia to help troubled homeowners who need legal assistance. They stressed the need for more training on providing relief on legal issues related to mortgage defaults and foreclosures.

HCS has not been tracking foreclosure data directly, but the Legal Aid Society is looking at foreclosure patterns and shares that information with others. HCS does not have access to the foreclosure notices from the D.C. Recorder of Deeds, which would be helpful to them in directing their outreach efforts.

HCS stressed that the limited resources available for counseling were a constraint in providing more assistance. A typical work out requires 10 to 30 hours of counseling effort; cases involving securitized loans and second liens can be much more difficult to resolve. In addition to

⁶ Complicating the legislative situation is the fact that committee assignments are being reworked because of the election of new council members. As a result, Councilmember Cheh may no longer chair the relevant committee for this bill.



DHCD funding, HCS also received a Metropolitan Washington Council of Governments grant to provide foreclosure prevention services. There is no local NeighborWorks® America grantee in D.C., however, so those resources are not available.⁷

Another problem cited by HCS informants was the lack of coordination of services in the city. There is no standard intake process or point of entry for homeowners who need counseling. A more uniform intake process is sorely needed, so that troubled borrowers can be directed to the right resources quickly.

City First Enterprises (CFE) is a nonprofit holding company for City First Bank. CFE provides financing for affordable homeownership opportunities and is coordinating a citywide Community Land Trust. CFE has received a \$500,000 grant from Living Cities, which it is using, along with funding from other sources, to acquire, rehabilitate and resell vacant, foreclosed properties. The homes will be resold as affordable workforce housing targeted at 80 percent of area median income. CFE is collaborating with Fannie Mae in this effort.

Other nongovernment organizations active in efforts to address increasing foreclosures in the District of Columbia, in addition to those mentioned above, include Manna Mortgage, Inc., Lydia's House, and the Latino Economic Development Corporation. The Affordable Housing Alliance (AHA) and the Coalition for Nonprofit Housing and Economic Development (CNHED) are also actively tracking the issue.

District of Columbia - Challenges

Respondents in the District of Columbia identified a number of key challenges they are facing in more effectively addressing the growing numbers of foreclosures in the city.

Lack of high-level leadership and coordination on foreclosure response. Several respondents noted a lack of urgency and direction on the part of city officials in addressing the foreclosure problem. Although several agency directors have begun consulting on the issue, there is no coordinated, vigorous leadership being offered by the Mayor's Office on the challenge of rising foreclosures. Without such leadership, respondents felt that the city's response would continue to fall short of what was needed.

Lack of single point of entry for homeowners seeking assistance. Respondents also commented that it was too difficult for troubled homeowners to find out where they could find help in the District of Columbia, and to get directed to the proper resources. The city lacks a reliable single point of entry for foreclosure counseling services.

⁷ Some national NeighborWorks program grantees, such as the Neighborhood Assistance Corporation of America, do operate branch offices in D.C. In addition, the national HOPE NOW hotline is available to D.C. residents, but HCS informants doubted the reliability of HOPE NOW's statistics on achieving successful homeowner outcomes.



As a case in point, there is no direct link to information for troubled homeowners on the D.C. government's main web page, *dc.gov*. A search of *dc.gov* for information on foreclosure yields different results, depending on the exact search terms used. For example, a search on "foreclosure help" brings up, as a first result, a link to a standard HUD booklet (in PDF), "How to Avoid Foreclosure." While this publication does provide useful information, including the HUD Hotline phone number on p. 7, it does not provide any information about specific resources available in the District of Columbia. The second result from this same search provides a link directly to the PDF version of the DISB Foreclosure Prevention Kit.

DISB appears to be the city agency with the most information available on foreclosure on its web site – largely consisting of the Prevention Kit. Neither DHCD nor HFA seem to have any easily accessible information directly related to how homeowners facing foreclosure can get help.

Some respondents suggested that a single phone number for access to all counseling services would be very helpful. This could be done through the city's existing 311 service (the Mayor's Call Center), but operators would need to be specially trained to be able to direct homeowners to the right resources for the type of assistance that they need.

Lack of consistent data shared across all entities in the city. Finally, respondents noted that there was no consistent data on foreclosure in the District of Columbia that was reliably available and used by all agencies and organizations working on this problem. For those who were accessing city data, such as from the Recorder of Deeds, it was not always easy to view the information at a ward or neighborhood level, so as to be able to direct outreach and services to areas in most need.

The Washington Region – Prince George's County

In this initial scan of foreclosure problems, we have focused primarily on the District of Columbia. Nevertheless, we have also begun, through this project and other funded work on foreclosures, to discuss further collaboration with officials in Prince George's County, Maryland, and with the Metropolitan Washington Council of Governments.

There were about 3,000 foreclosures in Prince George's County from April through September 2008. The county has about one-third of the state of Maryland's foreclosures, even with only about 14 percent of the total housing units. There is no NNIP partner that works exclusively in Prince George's County, but there is a strong base of interest and existing collaborations.

The Department of Housing and Community Development (DHCD). DHCD has a strong commitment to using information to guide their foreclosure prevention and neighborhood stabilization strategies, despite a currently less-developed data infrastructure. They are in the midst of compiling their list of target properties for the Neighborhood Stabilization Program



Grants, and plan to use the limited data they have to choose strategic properties and locations. DHCD's approach recognizes the need for comprehensive neighborhood development (addressing public safety, schools, and parks), but they have not yet had the opportunity to assemble indicators across the relevant agencies.

The Coalition for Homeownership Preservation. The Coalition consists of county housing agencies, social service providers, faith-based groups, and the legal community. They meet monthly to share information and coordinate strategies, and address state-level issues. The Prince George's County Coalition also collaborates with the Baltimore Coalition, which has been working with the Baltimore Neighborhood Indicators Alliance (BNIA), the Baltimore NNIP Partner. The Coalition would be a ready partner for exploring how data can be used to inform their planning and monitor progress.

Foreclosure notices are filed at the courthouse and only available in PDF format. DHCD currently purchases RealtyTrac data, which contains individual foreclosure notices, final foreclosure sales, and REO properties for Prince George's County, as well as county-level data for Maryland. They have mapped this data along with LoanPerformance data (shared with them by the Federal Reserve) to identify hotspots with the help of the Maryland's National Capital Parks and Planning. In April, Maryland began requiring all servicers to file notice of intent to foreclose with the state. This has the potential to provide a less-expensive source for foreclosure data without the restrictions of the proprietary data.

DHCD has also requested lists of real-estate owned properties from Fannie Mae and the realtors associations. They hopes combining the three REO lists will give a more complete picture of vacant homes in the County.

A few months ago, Maryland began to require lenders to file with the state a "notice of intent" to foreclose after the borrower has defaulted. These notices are filed with the Maryland Department of Labor, Licensing and Regulation (DLLR). BNIA is already a depository for DLLR employment data, and they are exploring the possibility of obtaining the foreclosure notices under their existing data sharing agreement. BNIA has also said it would share these data for Maryland counties in the Washington, D.C., region with NeighborhoodInfo DC, if it can reach an appropriate agreement with DLLR allowing them to do so.

The Washington Region – Metropolitan Washington Council of Governments

In November, we met with Dave Robertson, Executive Director, and Paul Desjardin, Director of the Department of Community Planning and Services, of the **Metropolitan Washington Council of Governments (MwCOG)**. In June 2008, MwCOG hosted a regional summit on foreclosures, bringing together representatives from local governments from across the region. The summit highlighted a MwCOG- and Freddie Mac-sponsored report prepared by George Mason University (McClain and Fowler 2008), providing a regional overview of the



foreclosure problem and highlighting “hot spot” areas where foreclosure impacts were expected to be greatest.

Since the summit, MWCOG has provided grants to organizations in the region to conduct foreclosure counseling. MWCOG would also like to improve the region’s ability to measure the local incidence and effects of foreclosure over the longer term. For example, the Human Services Policy Committee would like to examine the secondary effects of foreclosures on the region’s homeless population and on persons who are displaced from their homes.

MWCOG expressed a strong interest in collaborating with NeighborhoodInfo DC on moving towards the goal of creating a sustainable indicator system for monitoring foreclosures. They also offered to help us with contacts in local governments. We plan to continue conversations with them, which may lead to a formal memorandum of agreement on future collaboration.

WORK PLAN

Our work plan will attempt to address the three main challenges to confronting rising foreclosures in the city that were enumerated by our respondents. Our efforts will focus on the District of Columbia initially. Our hope is that the tools we develop for Washington, D.C., will serve as models for other jurisdictions in the region for similar tools that we can develop for them.

Task 1 – Improved Coordination & Outreach to Troubled Homeowners

We will work with our list of D.C. partners to improve the coordination of activities intended to help homeowners facing foreclosure. We will host a meeting, in early 2009, of all government and nongovernment entities who are working on the foreclosure issue so that we can discuss how approaches to the problem can be improved. We will collaborate with the Affordable Housing Alliance (AHA) and the Coalition for Nonprofit Housing and Economic Development (CNHED) in convening this meeting. With this group, we will work towards creating a specific plan of action that recognizes the importance of cross-agency collaboration and action.

Task 2 – Better Data

We will develop better data and reporting tools that will be available to all of our D.C. partners that can (a) track the incidence and impact of foreclosures in the city, and (b) help direct outreach and interventions to the neighborhoods and populations in most need. The



tracking and impact reports will similar in style to reports we have developed for tracking Section 8 rental housing preservation.

For (b), we will take full advantage of the data system we have created for NeighborhoodInfo DC, which is capable of linking property and address data. One product we envision is a weekly update of new notices of foreclosure, with addresses, owner information, and other property characteristics, that can be used by foreclosure counseling organizations for direct outreach to troubled homeowners. We would also like to discuss with the counseling agencies the possibility of developing a shared system of tracking counseling outcomes, to better assess the success of such efforts at helping homeowners avoid foreclosure.

The reporting tools described above will be developed in consultation with our partners, responding to their needs, over the first four months of 2009.

Task 3 – Expansion to Other Regional Jurisdictions

Over the course of the project, we will continue to consult with potential partners in the suburban jurisdictions, particularly in Prince George’s County, on possible collaboration. We will share with them information about the activities and tools created for Washington, D.C., and discuss ways that these might be replicated or adapted for their communities.

We will also continue, with our partners, to search for new sources of funding to support these initiatives.

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