



**Meeting of the Home Ownership Protection Program Joint Powers Authority
July 13, 2012**

The members of the Joint Powers Authority (“JPA”), formed by the Joint Exercise of Powers Agreement (the “Agreement”) entered into by the County of San Bernardino and Cities of Ontario and Fontana, CA to implement the Homeownership Protection Program, met for the first time to discuss organizational matters.

Participants at the meeting included:

- Gregory Devereaux, Chief Executive Officer, County of San Bernardino. Mr. Devereaux also presided over the meeting.
- Kenneth Hunt, City Manager, City of Fontana
- Dena Fuentes, Director, San Bernardino County Redevelopment & Housing Department
- Chris Hughes, City Manager, City of Ontario
- Brent Schultz, Director, Housing/Neighborhood Revitalization, City of Ontario

These five Board members have the decision making authority on what steps the JPA will take to achieve the aims of the Program.

Mr. Devereaux opened the meeting by explaining that the purpose of the JPA was to openly explore various options to address the dire housing, mortgage, and foreclosure situation in the areas party to the Agreement, and reiterated that no actions or decisions had as yet been taken on any specific proposals. After emphasizing that the Board of Directors of the JPA was barred by law from discussing any matters not explicitly on the agenda, Mr. Devereaux began progressing through the meeting’s business items.

1. The Board designated Mr. Devereaux as Chair of the JPA and Mr. Hunt as Vice Chair of the JPA.
2. The Board appointed the County of San Bernardino’s Clerk of the Board, Laura Welch, and County Counsel, Jean Rene Basle, to serve as Clerk and Counsel, respectively, to the JPA in the interim until others are appointed in the future.
3. The Board elected Brent Schultz to serve as the fifth Board Member of the JPA, and delayed the election of an alternate until a later date.

4. The Board will meet quarterly, and decided to hold their next regular Board meeting on **October 4, 2012 at 9 AM PT**. The Board also scheduled an additional special meeting for **August 16, 2012 at 9 AM PT**.
5. The Board then discussed more technical aspects of the Form 700 filing, required for members of Boards and Commissions of newly created agencies, regarding the disclosure of their personal assets and income.
6. The Board appointed Ms. Fuentes and Mr. Hughes to lead a Subcommittee tasked with issuing a request for qualifications and soliciting general and special legal counsel.

Mr. Devereaux then opened the meeting to public comment. Each public commenter expressed similar messages, strongly opposing both the use of eminent domain to seize mortgages and the involvement of Mortgage Resolution Partners (“MRP”), the private group seemingly driving the proposal. Most highlighted that the plan would significantly increase the costs of credit for consumers in the area, hampering the housing recovery, and that, in addition to considerable legal and constitutional issues, the MRP-backed proposal would not fundamentally address the stated purposes of the JPA, as it would not target delinquent or defaulted mortgages.