

To; Berkeley Neighborhoods Council % Mr. Dean Metzger, Mr. David Ushijima,
and Ms. Janis Ching
1 Hazel Road, Berkeley, CA 94705

Tuesday,

14 February 2023

I want to begin my remarks by making a comparison: I once considered applying for a Reverse Mortgage. The U.S. Department of Housing and Urban Development (HUD) has mandated a pamphlet of explanation that every Reverse Mortgage applicant must review and thoroughly understand as part of the application process. Family members and/or other advisors are encouraged to sit in, ask questions.

Really, the pamphlet is a course of instruction that takes three or four hours to complete. The pamphlet is arranged in sections. After studying each section - which is conducted by a knowledgeable person who may or may not represent the lending institution - the applicant is required to sign off on that section, attesting that 1) he or she fully understands that section 2) that any questions have been completely addressed 3) that earlier sections may be questioned at any time 4) that the entire discussion may be ended at the applicant's discretion. After all is said and done and signed, the applicant still has 72 hours to change his or her mind. I want to emphasize that a Reverse Mortgage applicant must fully appraised - and must affirm in writing - of what he or she is getting into.

No such protections existed in my fight with the City of Berkeley - there were absolutely no safeguards, no protections built into the receivership for me the client (read "victim"), no ombudsman, no knowledgeable advocate, no one to tell me what I could legally object to. The Fourth Amendment to the Constitution was ignored in my case. The court, rather than having a role of oversight to protect my interests - seems to have been no more than a legal agency to rubber-stamp whatever the receiver wanted to do. It is my understanding that receivers generally have carte blanche in their so-called rehabilitation work. Then, when they have borrowed against the property to the maximum, the court allows them to sell the property to pay themselves and 'recoup their

"expenditures." A built-in license to steal. How has this scam not been brought before the California State Legislature?

At no time, in five or six court appearances, did any officer of the court advise me that I should have my own attorney. I am ashamed of my own naivete; assuming all the while, until it was almost too late, that the City of Berkeley and the receiver had my interests at heart. Indeed, when I finally got legal representation, he turned out to be completely incompetent, costing me \$8,000 that I had to "beg borrow and steal." The next attorney admitted that her expertise was probate law, but she could at least read a brief - the first thing she discovered was that the court was pushing me to sign a stipulation, couched in obfuscating legalese, that I would 1) agree to the court's findings, and 2) I waive all rights to appeal those findings.

If the municipality finds that a property is so blighted that it must be legally seized, the victim ought to have the right to challenge the municipality's findings. Time must be allotted for a minimum of acceptable correction to be achieved. The question of financing examined. In the event receivership is found necessary, there ought to be specific cost parameters set beyond which the receiver agrees to assume the costs. Every phase ought to be examined by the victim's advocate, a disinterested third party who is paid from municipal funds. In my case, I was not ever told what rights I had, what I could object to, what alternatives could be explored. For example, why was I not offered a "National Rebuilding Day" or a "Rebuilding Together" type program? The anguish I sometimes felt caused me many sleepless nights. Let me add that my home was at no time ever condemned or deemed so blighted as to be uninhabitable. No rats, roaches or other vermin infestation was claimed.

In June of 2017, I was promised by the receiver that I would be back in my home in four or five months - year's end at the latest. For 20 months I, my Daughter (who dialyses at home) and my Granddaughter and Grandson were cramped in a basement in West Oakland. My bed was a thick piece of carpet on the floor of an outer room. When the project was finished in September of 2018, we were still displaced for an additional seven months. (Anecdotally, on 30 September

2018 the receiver, the workers of Habitat for Humanity and other notables held a celebratory party in the park adjacent to my home, celebrating the finish of this project. (I was not invited)

Admittedly, my home needed work. But it was paid for. In February of 2024 we will have been in our home for 50 years. It had always been my intent to leave a paid for Berkeley property to my Granddaughter, Myla Hedge to do with as she saw fit.

In late 2016 or early 2017 five City approved contractors inspected my home - City issued scope of work in hand - and found that the work could be done for between \$154,000 (low bid) and \$188,000 (high bid). Because I am retired, banks would not talk to me the receiver who somehow got the job insisted (in my presence) that the work would cost a maximum of \$250,000. Even with the contribution of GoFundMe money (\$88,000), the \$100,000 Senior Citizens Rehabilitation Loan that was granted to me by the City and the receiver supposedly waiving his fees, my home ended up indebted to almost \$600,000. Additionally, my two Sons had to hock their properties to payoff all of my personal indebtedness so that I could qualify for such a huge loan on my fixed retirement income. The family is still fighting a hard money loan.

All of the advocacy groups set up to aid the homeless, the destitute, the indigent, the disabled, the naive ... upon learning that an a receiver had been appointed to my case, ran for cover. The California State Attorney Generalis Office sent me a brief response advising that I hire an attorney. The Alameda County District Attorney's Office didn't respond at all.

I am eternally grateful to the organization Friends of Adeline for its unflagging support. FOA was and is at the forefront of educating, publicizing, exposing and demonstrating on my case as it has done/is doing in many other cases of malfeasance. It was FOA contacts that led me to the pro bono legal representation that I now have, a law firm willing and able to confront injustice.

Let me also point out that during the entire, years long duration of this project, have not seen a single invoice, bill of lading, receipt that could be verified as to

how much money was spent on what materials, how much of materials and appliances were donated - cost free - from Habitat for Humanity Resources. How much of the labor was paid or volunteered. Habitat for Humanity, the primary contractor, has not been called on to give its degree of input on the project. I point this fact out because 1) many of the electrical circuits are non-functional 2) the six room heaters in the building were poorly installed and/or inoperable - (fortunate, because, in that people tend to use such heaters as extra shelf space, they are inherently dangerous and have been long considered construction dinosaurs. I subsequently hired the firm Raynard HVAC to install a centralized over-head heating system for the upstairs unit at a cost of \$15,000.)

Really, the job done was second rate, the basement flooded in recent rains, the paint peeled within six months of being applied, cheap cabinetry, poor fittings, real wood pocket doors replaced by particle board on hinges add to the list of failures already mentioned. Aside from the back stairs, construction consultants have said the work was poorly done by apprentices.

Thank you for the opportunity to contribute my thoughts. I will not mention the obvious. Let me just conclude by saying only that, in my estimation, the entire enterprise was a criminal attempt from the outset to rob me of my home and profit hugely in the effort. Recent monetary recognition on the part of the City of Berkeley of such massive malfeasance is woefully inadequate.

Regards, Leonard F Powell

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