

RULES, ELECTIONS & INTERGOVERNMENTAL RELATIONS

RESOLUTION

WHEREAS, any official position of the City of Los Angeles with respect to legislation, rules, regulations or policies proposed to or pending before a local, state, or federal governmental body or agency must have first been adopted in the form of a Resolution by the City Council with the concurrence of the Mayor; and

WHEREAS, on March 4, 2020, the Mayor of Los Angeles declared a local emergency based on the COVID-19 pandemic, encouraging people to stay in their homes and to cease operation of nonessential business; and

WHEREAS, as a result of the public health emergency and the precautions recommended by health authorities, many residents and businesses in the City of Los Angeles have experienced or will soon experience sudden and unexpected income loss; and

WHEREAS, nationally, millions of workers have filed claims for unemployment insurance in recent weeks due to loss in income, and their home is threatened by unprecedented financial and housing instability; and

WHEREAS, in response to this widespread loss of income and catastrophic threats to the housing market, certain mortgage relief programs for rental properties are beginning to emerge, including the federal CARES Act which allows forbearance for multifamily properties (5 or more units) with federally backed multifamily loans, and Governor Newsom's mortgage payment relief package with support from Citigroup, JPMorgan Chase, U.S. Bank, and Wells Fargo and nearly 200 state-chartered banks, credit unions, and servicers, which includes a 90 day grace period for mortgage payments, no negative credit impacts of taking advantage of forbearance, a moratorium on foreclosure sales, and relief from mortgage related fees; and

WHEREAS, not all rental properties in Los Angeles are eligible for these programs, and none of these programs include a corresponding measure to cancel or suspend the rent obligations of the tenants living in those rental properties that receive mortgage relief; and

WHEREAS, in the interest of protecting the public health and preventing transmission of COVID-19, and to avoid unnecessary housing displacement, instability in the City's rental housing stock, and to prevent renters from falling into homelessness, a comprehensive program that bundles mortgage and rent cancellation together would protect overall housing stability, support mom and pop landlords, and keep renters in their homes during this unimaginable health emergency;

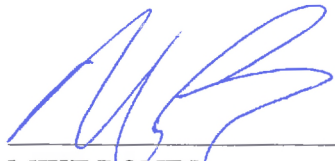
APR 7 2020




NOW, THEREFORE, BE IT RESOLVED, with the concurrence of the Mayor, that by the adoption of this Resolution the City of Los Angeles hereby includes in its 2019-2020 State Legislative Program SUPPORT for legislative or administrative action that would provide mortgage payment relief conditioned on a corresponding rental suspension for rental properties during and in the aftermath of the COVID-19 emergency.

BE IT FURTHER RESOLVED, with the concurrence of the Mayor, that by the adoption of this Resolution the City of Los Angeles hereby includes in its 2019-2020 Federal Legislative Program SUPPORT for legislative or administrative action to implement a combined mortgage and rental payment suspension program during and in the aftermath of the COVID-19 emergency.

PRESENTED BY: 
CURREN D. PRICE, JR
Councilmember, 9th District


MIKE BONIN
Councilmember, 11th District


DAVID E. RYU
Councilmember, 4th District

SECONDED BY: 

ORIGINAL