

MOTION

HOUSING

As of the morning of April 6, 2020 the State of California had identified 15,238 positive cases of COVID-19 in California, 5,940 of which have been diagnosed in Los Angeles County.

In a short period of time, COVID-19 has spread rapidly throughout California, requiring constantly updated and more stringent guidance from federal, state and local health officials. On March 4, 2020 Governor Newsom and Mayor Garcetti declared a State of Emergency, allowing the State of California and City of Los Angeles to deploy all available state and local resources to stem the spread of the virus while being able to access federal resources. On March 15, the Mayor issued an order temporarily closing non-essential commercial businesses and implementing temporary eviction protections for non-payment of residential rent for tenants who have been impacted by COVID-19. On March 17, those protections were extended to commercial evictions. And on March 20, 2020 the Mayor's "Safer at Home" emergency order went into effect, calling on residents of the City of Los Angeles to stay in their homes and limit all activity beyond what is absolutely necessary for essential tasks.

While these orders are critical to slowing the spread of COVID-19 and protecting the public health, the combined effects of the virus and public health orders have resulted in significant financial impacts, particularly to low and moderate-income Angelenos. Accelerated layoffs have brought the number of Americans applying for unemployment benefits to a record 10 million in the last two weeks of March – 6.6 million of whom filed initial claims in the week ending March 28, double the record 3.3 million from the previous week. In California, more than 1.6 million people have filed unemployment claims since March 13, with nearly 879,000 people reporting lost jobs during the week leading up to March 28, far surpassing the previous week's 186,333 claims. To put this in perspective, during the week of March 7 a total of 43,385 initial claims were filed in California. With layoffs expected to keep rising in the coming weeks to a total of as much as 20 million - or one out of every seven workers in the nation - some analysts forecast unemployment rates of 15 percent or higher this spring.

The extent of the damage will depend on how quickly the virus is contained, the steps authorities take to contain it, how much economic support governments are willing to deploy during the pandemic's immediate impact and aftermath, and our ability to provide financial relief to residents and free up consumer spending. To this end, on March 27 the Oakland City Council unanimously passed an emergency ordinance temporarily prohibiting rent increases above the local consumer price index on all residential rental units during the local emergency, including those not controlled, regulated or subsidized by a governmental unit, agency or authority. Not long thereafter, Mayor Garcetti issued an order temporarily prohibiting rent increases on approximately 624,000 rent stabilized units in the City of Los Angeles from the effective date of the order (March 30, 2020) until 60 days after the expiration of the local emergency.

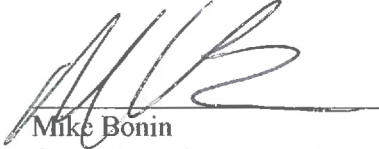
Unfortunately, we're only at the beginning of a health and economic crisis that is constantly shifting, growing deeper and impacting more and more families every day. With over 40 percent of households in Los Angeles County spending more than 30 percent of their income on rent and struggling to meet basic needs, and more than 60 percent of households with children struggling to meet basic needs, it is critical that we provide immediate relief and make every effort to safeguard our residents and local, regional and state economies.

I THEREFORE MOVE that the City Attorney, with the assistance of the Housing and Community Investment Department, Chief Legislative Analyst and City Administrative Officer, be requested/instructed to prepare and present an Ordinance freezing rent increases on occupied rental units that are subject to the City's Rent Stabilization Ordinance, retroactive to the implementation of the Mayor's March 4, 2020 declaration of a local emergency and effective until 90 days after the end of the declaration of a local emergency.

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I FURTHER MOVE that the City Attorney, with the assistance of the Housing and Community Investment Department, Chief Legislative Analyst and City Administrative Officer, be requested/instructed to prepare and present an Ordinance freezing rent increases on all residential rental units not controlled, regulated or subsidized by a governmental unit, agency or authority, retroactive to the implementation of the Mayor's March 4, 2020 declaration of a local emergency, effective until 90 days after the end of the declaration of a local emergency, and call on the State to lift any legal barriers that would need to be suspended in order to effectuate the freeze.

PRESENTED BY: 
David E. Ryu
Councilmember, 4th District


Mike Bonin
Councilmember, 11th District

SECONDED BY: 

ORIGINAL