

MOTION

The Tenant Protections Act of 2019, which established statewide rent control, was signed into law by Governor Newsom in October 2019 with an effective date of January 1, 2020. The legislation made it illegal for residential landlords to raise rent more than 5 percent, plus the local rate of inflation, in one year. However, the gap between the signing of the bill and effective date meant that in that three month period landlords could raise rents significantly.

In October 2019, immediately following the signing, City Council approved Motion Martinez-Koretz-Krekorian establishing the Emergency Renters Relief Program. The program was created to assist renters facing exorbitant rent increases before the Tenant Protections Act of 2019 took effect on January 1, 2020 by providing a temporary rent subsidy to renters. The subsidy was available to tenants and families with incomes at or below 80% of Area Median Income (AMI) and was a grant paid directly to the tenants for up to three months' rent payments through December 31, 2019. In the three months the program was operational, the City was able to save approximately 40 families from homelessness.

The current COVID-19 global pandemic is not only a health crisis but for many families living paycheck to paycheck, it is an economic crisis as well. The City Council took action last week to establish an eviction moratorium and to provide tenants with up to 12 months after the emergency declaration to pay back owed rent.

Fifty-eight percent of renters are rent-burdened, paying over 30% of their income for rent, while about one-third are severely rent-burdened, paying over 50% of their income for rent. Since this pandemic began, many workers in Los Angeles have been laid off or had their hours significantly reduced. Since March 13, California has seen over 1 million unemployment claims. These families, who were already rent-burdened, will have difficulty paying rent after this crisis is over.

This City Council has previously stepped up to establish an Emergency Renter's Relief Program. That program provided residents with the assistance they needed until the statewide rent control bill took effect in January 1, 2020. The City Council should reestablish that fund as the COVID-19 Emergency Renter's Relief Program to assist residents and families in the City of Los Angeles with repayment of rent. Prior to this global health pandemic, the City had a homelessness crisis that it was grappling with. While it may have seemed unimaginable that that crisis could get worse overnight, this pandemic has the potential to result in thousands of families becoming homeless in the aftermath of the pandemic. The establishment of the COVID-19 Emergency Renter's Relief Program will help prevent homelessness after the pandemic.

I THEREFORE MOVE that the City Council instruct the Housing and Community Investment Department to establish the COVID-19 Emergency Renters Relief Program (COVID-19 ERRP) similar to the former Emergency Renters Relief program established to assist renters facing financial difficulties with rent subsidies as a program component

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of the City's Eviction Defense Program; report on sources of funds to supplement the CD 6 and CD 10 AB 1290 funds and how program funds will be distributed; and prepare key amendments to the City's Eviction Defense Program, as necessary, in response to COVID-19 emergency orders.

I FURTHER MOVE that \$1 million in the AB 1290 Fund No. 53 P, Account No 281206 (CD 6 Redevelopment Projects – Services) be transferred/appropriated to the Housing Community & Investment Department for the newly established – COVID-19 Emergency Renters Relief Program – (account numbers to be determined) to provide assistance to tenants facing economic hardship.

I FURTHER MOVE that \$150,000 in the AB1290 Fund No. 53P, Account No. 281210 (CD 10 Redevelopment Projects - Services) be transferred/appropriated to the Housing Community & Investment Department for the newly established – COVID-19 Emergency Renters Relief Program – (account numbers to be determined) to provide assistance to tenants facing economic hardship.

I FURTHER MOVE that the HCID, with the assistance of the City Clerk, be authorized to prepare the necessary Controller instructions, identify the appropriate fund and account numbers, and make any corrections, clarifications or revisions to the above instructions, including any corrections and changes to fund or account numbers to effectuate the intent of this motion; said corrections/clarifications and may be made orally, electronically or by any other means

PRESENTED BY


NURY MARTINEZ
Councilmember, 6th District

SECONDED BY:


HERB WESSON
Councilmember, 10th District

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