



MEMORANDUM

TO: CITY COUNCIL

FROM: TIMOTHY J. CARMEL, CITY ATTORNEY

SUBJECT: CONSIDERATION OF LETTER TO THE GOVERNOR REGARDING RENT AND MORTGAGE RELIEF

DATE: MAY 5, 2020

SUMMARY OF ACTION:

Approval of a letter to Governor Newsom regarding establishment of a rent and mortgage relief program for residents and businesses as a result of the COVID-19 pandemic.

IMPACT ON FINANCIAL AND PERSONNEL RESOURCES:

There are no direct fiscal impacts related to approval of the letter; however, sending the letter may facilitate the request for the State to establish a rent and mortgage relief program as a result of the COVID-19 pandemic.

RECOMMENDATION:

It is recommended the City Council approve and authorize the Mayor to send a letter to the Governor regarding the establishment of a rent and mortgage relief program as a result of the COVID-19 pandemic.

BACKGROUND:

At its April 28, 2020 meeting, Council Member Pauling requested, and the Council concurred, to place on a future agenda for consideration a letter to the Governor regarding the establishment of a rent and mortgage relief program as a result of the COVID-19 pandemic.

ANALYSIS OF ISSUES:

The attached draft letter has been prepared by Council Member Paulding for City Council consideration. The letter to Governor Newsom requests that a comprehensive set of relief measures be created to assist renters, mortgage holders and small business owners, which could include:

**CITY COUNCIL
CONSIDERATION OF LETTER TO THE GOVERNOR REGARDING RENT AND
MORTGAGE RELIEF
MAY 5, 2020
PAGE 2**

- Creation of emergency direct assistance programs for rent and mortgage payments and other housing-related expenses such as utilities, property taxes, and insurance;
- Relief measures to banks and financial institutions to facilitate their suspension of rent and mortgage collections;
- Creation of emergency grant programs to small businesses and nonprofits; and
- Creation of emergency programs that provide homes and expanded services for people experiencing homelessness.

It is recommended that the City Council consider approving and authorizing the Mayor to send the attached letter to the Governor, with a copy to Assembly Member Cunningham and Senator Monning. (Attachment 1)

ALTERNATIVES:

The following alternatives are provided for the Council's consideration:

1. Approve and authorize the Mayor to send the letter;
2. Modify and approve the letter;
3. Do not approve the letter; or
4. Provide other direction to staff.

ADVANTAGES:

Approval of the letter will request and encourage the State to consider a comprehensive package of measures to provide assistance and relief to the City's residents and small business owners who are struggling to pay their rent and mortgages as a result of the COVID-19 pandemic.

DISADVANTAGES:

No disadvantages have been identified.

ENVIRONMENTAL REVIEW:

Not required.

PUBLIC NOTIFICATION AND COMMENTS:

The Agenda was posted at City Hall and on the City's website in accordance with Government Code Section 54954.2.

Attachment:

1. Draft letter to Governor Newsom

May 6, 2020

The Honorable Gavin Newsom
Governor of California
1303 10th Street, Suite 1173
Sacramento, CA 95814

Dear Governor Newsom,

The City of Arroyo Grande has heard from a number of its local residents and small business owners who are struggling to pay their rent and mortgages. We are writing to you to advocate for rent payment and mortgage assistance to help keep our residents in their homes, apartments, and commercial spaces. As you know, residents were struggling before COVID-19 to afford housing here on the Central Coast. Now, more than ever, they are in desperate need of assistance.

Under these current conditions, we need to employ comprehensive relief measures that meet the needs of renters, mortgage holders, and small business owners alike. Relief measures such as those that follow are strongly encouraged in order to protect the health and safety of our residents:

- Creation of emergency direct assistance programs for rent and mortgage payments and other housing-related expenses such as utilities, property taxes, and insurance;
- Relief measures to banks and financial institutions to facilitate their suspension of rent and mortgage collections;
- Creation of emergency grant programs to small businesses and nonprofits; and
- Creation of emergency programs that provide homes and expanded services for people experiencing homelessness.

We appreciate your urgent attention to this ever-pressing matter.

Sincerely,

Caren Ray Russom
Mayor
City of Arroyo Grande

c: Senator Bill Monning
Assembly Member Jordan Cunningham
David Mullinax, League Regional Public Affairs Manager , dmullinax@cacities.org
Meg Desmond, League of California Cities, cityletters@cacities.org

THIS PAGE INTENTIONALLY LEFT BLANK