



MITCH O'FARRELL
Councilmember
13th District

April 1, 2020

The Honorable Congresswoman Nancy Pelosi
Speaker of the House of Representatives
United States Congress
1236 Longworth H.O.B.
Washington, D.C. 20515

The Honorable Kevin McCarthy
H-204, The Capitol
Washington, D.C. 20515

Dear Speaker Pelosi and Minority Leader McCarthy:

Thank you for providing the leadership we need during this unprecedented and profoundly stressful time. The House of Representatives acted swiftly to address the needs of Americans who are most impacted by the COVID-19 pandemic. The recently approved CARES Act will now provide real relief for working people across the country, especially those in the district that I represent on the Los Angeles City Council

I hear from Angelenos daily: People across most industries are in distress due to massive job loss. In addition to the fear of getting sick, they fear losing their ability to pay bills and stay afloat financially until the pandemic eases. With the U.S. economy virtually shut down, and talk of the next federal relief bill underway, I urge you to consider measures that will keep renters housed, and people who own rental properties from going into foreclosure.

In the Los Angeles metro region, over half of all households are renters. In the 13th District of the City of Los Angeles that I represent, over 80% of residents are renters, most of which are families.

In Los Angeles, we enacted emergency eviction protections related to the COVID-19 pandemic, along with an extension to pay back rent, interest free, up to 12 months after the emergency order is lifted. But without additional federal assistance we are limited in our ability to do much more. Tens of thousands of people have lost all their income along with their ability to pay the rent. Conversely, many rental property owners in Los Angeles have mortgages that rely on that

income in order to meet the obligations of their loan, pay property taxes, and other related expenses.

We are staring into the abyss. Although some property owners have loans guaranteed by the Federal Housing Administration that provide a forbearance plan, full repayment of mortgage loans plus interest is still required. We will have a large universe of renters who will be without any income for weeks or months struggling to stay housed, as well as property owners who aren't receiving rent to cover their mortgages. There will be instances where income will return much too slowly to keep pace with the ability to repay rents and mortgages long after emergency orders are lifted.

Therefore a federal plan for rent and mortgage forgiveness tied to COVID-19 is warranted. I doubt the unprecedented circumstances in Los Angeles are unique. As the next federal relief bill comes into focus in the coming weeks, the details conveyed in this letter will only become more apparent. Not unlike the big federal banking and auto industry bailouts from eleven years ago, we will need a similar plan. This time, the plan needs to be laser focused on keeping people housed and mortgages from going into default, while simultaneously concentrating on reopening business, bringing jobs back, and returning to life in general after the pandemic eases.

I humbly thank you for your consideration and stand ready to do whatever I can in my capacity in order to play a role in serving this purpose.

Thank you and be well!

Sincerely,



MITCH O'FARRELL
Councilmember, 13th District
Los Angeles City Council

CC Members of the House