



County of San Mateo

Inter-Departmental Correspondence

Department: BOARD OF SUPERVISORS
DISTRICT 5
File #: 20-187

Board Meeting Date: 4/7/2020

Special Notice / Hearing: None
Vote Required: Majority

To: Honorable Board of Supervisors

From: Supervisor David J. Canepa, District 5

Subject: Resolution Urging United States Congress and the President to Impose a Moratorium on Mortgage Payments by Property Owners During COVID-19 Pandemic

RECOMMENDATION:

Adopt a resolution urging the United States Congress and the President of the United States to act to impose an immediate moratorium on residential and commercial mortgage payments, including for properties that are residential or commercial rental properties, as well as associated ownership costs, such as mortgage insurance.

BACKGROUND:

In response to the COVID-19 pandemic, the State of California, as well as the Health Officers of several counties, including San Mateo County, several counties, have issued a "shelter in place" orders, in an attempt to slow the spread of COVID-19. Due to this order, California residents have been required to disrupt their lives, which for most California residents, has given rise to work disruptions and associated income loss. Governor Newsom recently issued an Executive Order that vested local jurisdictions with authority to impose emergency moratoria on evictions for non-payment of rent when such nonpayment is directly caused by the COVID-19 emergency. It is imperative that the banking industry and financial regulators advance short-term mortgage relief in order to keep all Californians in their homes and businesses in place.

DISCUSSION:

The shelter in place has disrupted the lives of many California residents thus making it hard for people to pay their mortgages and other property-related maintenance bills. Cities, counties and states do not have jurisdiction to relieve homeowners of paying their mortgage.

San Mateo County is therefore urging the United States Congress and the President of the United States to take action to impose an immediate moratorium on residential and commercial mortgage payments, including for residential and commercial rental properties, as well as associated ownership

costs, such as mortgage insurance, such that no owner of San Mateo County property should be required to pay mortgage during this health emergency. The Board believes that such a moratorium on residential and commercial mortgage payments should afford property owners the option to add a period of time onto the end of their mortgage term equivalent to the time period that the moratorium is in effect. Without a substantial economic intervention from the federal government, many households and small property owners will not survive this crisis. It is important we don't leave anyone behind.

The magnitude of this crisis is extraordinary and federal, state and local government coordination will be more critical than ever before. The magnitude of this crisis deserves action now.

FISCAL IMPACT:

No fiscal impact.