



Legislation Text

File #: Res 31940, Version: 2

CITY OF SEATTLE

RESOLUTION _____

A RESOLUTION calling on Governor Inslee to impose an immediate moratorium on rent payments and urging the Governor to call on federal legislators and the Trump administration to impose an immediate moratorium on rent and mortgage payments; and calling on federal legislators and the Trump administration to impose an immediate moratorium on rent and mortgage payments.

WHEREAS, novel coronavirus (COVID-19) first appeared in December 2019 and has spread throughout the world; and

WHEREAS, on January 21, 2020 the first case in the United States was identified in Washington, on February 24, 2020 the first death in the United States was identified in Washington, and on March 11, 2020 the World Health Organization declared the outbreak a global pandemic; and

WHEREAS, on February 29, 2020, Washington Governor Jay Inslee declared a state of emergency to help the state prepare for broader spread of COVID-19; and

WHEREAS, on March 3, 2020, Seattle Mayor Jenny Durkan issued a proclamation of civil emergency to ramp up the city's efforts to prepare for and respond to local cases of coronavirus; and

WHEREAS, Seattle and Washington are responding in strong and definitive ways to slow the spread and save lives, with the Governor Jay Inslee amending Proclamation 20-05, ordering residents to shelter-in-place and cease non-essential activities as of March 25, 2020; and

WHEREAS, because of these orders and the impact on service and other industries, labor organizations representing hospitality workers estimate that 80 percent or more of hospitality workers will lose their jobs; along with thousands of arts, travel, nonprofit, retail, and service workers; and

WHEREAS, in the week preceding March 25, unemployment claims to the Washington Department of

Employment Security increased by 700 percent; and

WHEREAS, those workers who are eligible for unemployment insurance are drawing only a fraction of what they would otherwise earn with a maximum of \$790 per week and many workers are not eligible for any unemployment benefits at all; and

WHEREAS, the Federal Reserve has found that 40 percent of Americans do not have cash on hand to cover an unexpected expense of \$400 and a recent survey by CareerBuilder found that 78 percent of American workers are living paycheck-to-paycheck; and

WHEREAS, in consultation with the Seattle City Council, Mayor Jenny Durkan has ordered a 60-day moratorium on residential and commercial evictions for nonpayment of rent due to COVID-19 loss of income, but renters are still obligated to pay landlords, and mortgage-holders are still obligated to pay lenders; and

WHEREAS, according to Zillow, the average monthly rent on an apartment in Seattle is now \$2,600, one of the highest in the nation; and

WHEREAS, the Housing Appendix to the Seattle Comprehensive Plan indicates that extremely low income Seattleites (earning less than 30 percent of Adjusted Median Income (AMI)) and very low income households (earning less than 50 percent of AMI) continue to be the overwhelming majority of households facing severe housing cost burdens, while 47 percent of all Seattleites are rent burdened; and

WHEREAS, retaining the obligation to pay would mean that those who defer payments will accumulate significant personal debt; and

WHEREAS, when the public health crisis subsides, Seattleites must be able to resume everyday activities, including going back to service sector and other jobs; and

WHEREAS, it is critically important that Seattleites who currently have housing are not made homeless or destitute because of this public health crisis; and

WHEREAS, the State of Emergency declared by Governor Jay Inslee, opens the opportunity to use certain

emergency powers under the Washington State Comprehensive Emergency Management Plan (chapters 38.08, 38.52, and 43.06 of the Revised Code of Washington); and

WHEREAS, one of the first responses to the economic impact of the COVID-19 crisis by the US federal government was to inject \$1.5 trillion on March 12, 2020 in loans to banks to stabilize the economy; and

WHEREAS, to date no rent relief program is in place and mortgage forbearance guidance for single-family homeowner mortgages has been issued by Freddie Mac, but that guidance remains subject to individual banks to decide if and how to implement; and

WHEREAS, banks are therefore able to withstand nonpayment of debt during this emergency and work out extensions and other ways for debt to be refinanced when the health emergency is over; and

WHEREAS, by halting mortgage payments during this time, the urgent need for landlords to collect rent will be paused; NOW, THEREFORE,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SEATTLE THAT:

Section 1. The Seattle City Council calls on Governor Inslee:

A. To use emergency powers to impose an immediate moratorium on residential and commercial rent payments, including associated residential rental costs, such as renters' insurance, such that no Seattleite should be required to pay rent during this health emergency or accumulate debt for unpaid rent; and

B. To call on federal legislators and President Trump's administration to impose an immediate moratorium on residential and commercial mortgage payments, including associated residential ownership costs, such as property taxes and mortgage insurance, such that no owner of Seattle property should be required to pay mortgage during this health emergency or accumulate additional debt for unpaid mortgage payments.

Section 2. The Seattle City Council calls on members of the United States Congress, specifically Representatives Pramila Jayapal, Adam Smith, and Financial Services Committee Chair Maxine Waters, and Senators Patty Murray and Maria Cantwell, to impose an immediate moratorium on residential and commercial

mortgage payments and rents, including associated residential real property rental and ownership costs, such as property tax, renters' insurance, and mortgage insurance, such that no owner of property in the nation should be required to pay mortgage during this health emergency or accumulate additional debt for unpaid mortgage payments, and no renter in the nation should be required to pay rent during this health emergency or accumulate debt for unpaid rent.

Section 3. The Seattle City Council calls on President Trump to issue an executive order to impose an immediate moratorium on residential and commercial mortgage payments and rents, including associated residential real property rental and ownership costs, such as property tax, renters' insurance, and mortgage insurance, such that no owner of property in the nation should be required to pay mortgage during this health emergency or accumulate additional debt for unpaid mortgage payments, and no renter in the nation should be required to pay rent during this health emergency or accumulate debt for unpaid rent.

Section 4. The City Council requests that the Office of Intergovernmental Relations deliver copies of this resolution, upon adoption, to Governor Jay Inslee, United States Representatives Pramila Jayapal, Adam Smith, and Maxine Waters, United States Senators Patty Murray and Maria Cantwell, and President Donald Trump.

Adopted by the City Council the _____ day of _____, 2020, and signed by me in open session in authentication of its adoption this _____ day of _____, 2020.

President _____ of the City Council

Filed by me this _____ day of _____, 2020.

Monica Martinez Simmons, City Clerk

(Seal)