



Southern California Rental Housing Association

March 27, 2020

Mayor Iris Smotrich & Rancho Mirage City Council Members
City of Rancho Mirage
69825 Highway 111
Rancho Mirage, CA 92270

RE: SCRHA Recommendations to the Rancho Mirage City Council in assisting city residents

Dear Mayor Smotrich and Council Members:

On behalf of the Southern California Rental Housing Association (SCRHA) and its nearly 3,000 members who represent over 128,000 rental units in Southern California, we would like to take this opportunity to share with you the Association's perspective on the Rancho Mirage City Council's possible consideration of adopting an assistance package to aid city residents and businesses affected by the COVID-19 crisis. The SCRHA urges the Palm Springs City Council consider the interests of all its residents during this extraordinary situation.

We understand that the Rancho Mirage City Council is considering various actions to aid residents impacted by COVID-19 crisis, including the possibility of enacting a temporary moratorium on all residential evictions in the city. We would ask the Council to not rush drafting an ordinance as the Riverside Superior Courts have closed suspending almost all activities, including unlawful detainer actions, through April 3. In addition, some local governments in haste have rushed to enact their own individual moratoriums leaving rental property owners and managers struggling to interpret each city or county ordinance. Fortunately, some local governments have taken a regional approach in addressing the present crisis. The County and City of San Diego earlier this week enacted ordinances that are the same or similar, rather than enacting a confusing patchwork of regulations during an already difficult time.

We also request the Rancho Mirage City Council consider the well-being of all Palm Springs residents. Our organization supports balanced measures designed to keep Californians healthy and housed.

Should the City Council adopt an assistance package for residents that includes a moratorium on evictions, we want to remind the council that the many rental property owners in the Coachella Valley are small independent owners who rely on their rental income to meet their financial obligations, and in some cases have no other source of income. Please consider the following should the city pursue an eviction moratorium:



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We are in support of a system in which the tenant notifies the landlord, preferably in writing, on or before the day rent is due. Communication early and often will assist both parties in navigating this situation.

We urge you to create a clearly defined process for notifying a landlord of financial hardship, including requiring the following to prove substantial loss of income:

- letter from an employer citing COVID-19 as a reason for reduced work hours or termination
- paycheck stubs from before and after the COVID-19 outbreak
- bank statements showing financial situation before and after the outbreak

Additionally, **we would like to suggest language that affirms a rental property owner and/or manager's ability to enter into a payment agreement with residents.** Some individuals and families may have the ability to pay some rent during the emergency, which could help offset large balloon amounts coming due when the moratorium is lifted.

Any payback period should be consistent with the length of the emergency. We would suggest the following language: *"Tenants who were afforded eviction protection under this Ordinance shall have a time period equivalent to the length of the moratorium to pay their landlords all unpaid rent. If a tenant opts to move while the ordinance is effective, all owed rent is due upon move-out. At the end of the defined payback period, a landlord may evict a tenant who has not paid all outstanding rent and resort to all remedies available to the landlord under the lease and the law."*

We strongly urge the city to request that local, state and federal elected leaders adopt economic aid packages to ensure landlords have minimal impacts to their operations such as:

- Rental assistance to tenants in the form of grants
- Suspension of the collection of property taxes
- Forbearance on water and sewer payments as well as any other city payments that may be deferred
- Low-Interest loans

Again, thank you for your leadership during this crisis. We look forward to working with your offices to ensure residents are safe and housed during this emergency, while not placing property owners in financial hardship.

Sincerely,

Kendra Bork
President

Alan Pentico, CAE
Executive Director