



## Legislation Details (With Text)

**File #:** 20-0958      **Version:** 1      **Name:** Resolution of Support: Assembly Bills A-4034/4226  
**Type:** Resolution      **Status:** Adopted  
**File created:** 8/3/2020      **In control:** Municipal Council and City Clerk  
**On agenda:** 8/5/2020      **Final action:** 8/5/2020

**Title:** Dept/ Agency: Offices of Municipal Council/City Clerk  
Action: ( ) Ratifying (X) Authorizing ( ) Amending  
Type of Service: Resolution of Support  
Purpose: Supporting passage of Assembly Bills A-4036/A-4226  
Sponsor: Council Member, LaMonica R. McIver  
Additional Information:  
Resolution supporting mandatory uniform mortgage forbearance and establish a rent pause with affordable repayment options for residents impacted by COVID-19 pandemic.

**Sponsors:** LaMonica R. McIver, John Sharpe James

**Indexes:**

**Code sections:**

| Date     | Ver. | Action By         | Action | Result |
|----------|------|-------------------|--------|--------|
| 8/5/2020 | 1    | Municipal Council | Adopt  | Pass   |

**Dept/ Agency:** Offices of Municipal Council/City Clerk

**Action:** ( ) Ratifying (X) Authorizing ( ) Amending

**Type of Service:** Resolution of Support

**Purpose:** Supporting passage of Assembly Bills A-4036/A-4226

**Sponsor:** Council Member, LaMonica R. McIver

**Additional Information:**

Resolution supporting mandatory uniform mortgage forbearance and establish a rent pause with affordable repayment options for residents impacted by COVID-19 pandemic.

**WHEREAS**, the impact of the COVID-19 pandemic has created a tremendous financial hardship for thousands of renters and homeowners throughout the State of New Jersey, especially for those residents living in Council Member, LaMonica R. McIver's Central Ward District; and

**WHEREAS**, the State mandated shut-down and shelter-in-place order has caused the serious reduction of hours and/or loss of employment for thousands of workers due to the forced closure of nonessential businesses; and

**WHEREAS**, the impending end of the four (4) month Federal eviction moratorium will create imminent financial hardships to the estimated 12 million renters nationwide as the pandemic continues to surge; and

**WHEREAS**, on March 19, 2020, New Jersey Governor, Phil Murphy issued Executive Order 106, which immediately suspended evictions throughout the State and will last two (2) months after Governor Murphy declares an end to the COVID-19 health crisis. This "eviction moratorium", means that, except in rare circumstances, no tenant may be removed from his or her home because of an

eviction proceeding. The Governor has extended the official public health emergency several times, most recently through Executive Order 162, which will expire on August 1, 2020. Unless, the Governor extends the emergency again, or end it early, the eviction moratorium will expire two (2) months later on October 1, 2020; and

**WHEREAS**, Mortgage Servicers would be required to grant mortgage forbearance to homeowners or qualifying residential landlords with limited savings and a gross household income that does not exceed 150 percent of the Area Median Income (AMI), who submit a written request affirming they have been financially impacted in a negative way as a result of the pandemic; and

**WHEREAS**, renters in a similar financial situation with an income that does not exceed 100 percent of the AMI would also be given relief under the bill, with the legislation prohibiting landlords from evicting renters for sixty (60) days after the conclusion of the pandemic; and

**WHEREAS**, this legislation would allow during both the current pandemic and the grace period following, qualifying renters would not be subject to eviction notices, penalties or fees. For both renters and owners, there would be no impact on their credit. "Payment due" accrued during the moratorium, will be added to the end of the mortgage, and landlords will have to enter into an affordable rental repayment agreement with their renters; and

**WHEREAS**, this legislation expands on the Governor's existing Executive Orders by suspending the initiation of foreclosure and eviction proceeding for impacted homeowners and tenants during the emergency while mandating uniform repayment plans for residents receiving mortgage and rental relief.

**NOW, THEREFORE, BE IT RESOLVED BY THE MUNICIPAL COUNCIL OF THE CITY OF NEWARK, NEW JERSEY, THAT:**

1. The Municipal Council strongly supports passage of the New Jersey State Assembly Bills A-4034 and A-4226, which will provide a housing relief bill that will mandate uniform mortgage forbearance and establish a rent pause with affordable repayment options for residents and homeowners affected by the COVID-19 pandemic.
2. Copies of this resolution shall be forwarded by the Office of the City Clerk to Newark's State legislative representatives.

### **STATEMENT**

Resolution of support sponsored by Central Ward Council Member, LaMonica R. McIver urging the passage of Assembly Bill A-4034 and A-4226 by the New Jersey State legislature.