



BAKERSFIELD

THE SOUND OF *Something Better*

CITY CLERK'S OFFICE MEMORANDUM

August 12, 2020

TO: HONORABLE MAYOR AND COUNCILMEMBERS

FROM: JULIE DRIMAKIS, CITY CLERK

**SUBJECT: COUNCIL MEETING OF AUGUST 12, 2020
AGENDA ITEM NEW BUSINESS 13.a.**

Correspondence received from Bakersfield Association of Realtors in regards to the said item.

Attachments
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August 11, 2020

The Honorable Mayor Karen Goh and Council Members
Bakersfield City Council
1601 Truxtun Ave.
Bakersfield, CA 93301

Re: Agenda Item 13A (New Business) on the Bakersfield City Council August 12, 2020 Agenda

Dear Mayor Goh,

The Bakersfield Association of REALTORS®, the City's largest trade association representing over 2,300 REALTOR® members in Bakersfield, strongly supports staff's recommended COVID-19 Response Funding Plan, and we would like to take this opportunity to thank you and your staff for bringing forth mutually beneficial solutions to the economic crisis we now face as a side effect of the current public health crisis. We are very sympathetic to the overall economic crisis that our community is facing and the additional economic impacts still to come. Our members, like so many other others have been significantly impacted over the course of the past few months.

Specifically, we would like to comment on 2 items included in the proposed State CARES Act Funding Plan: \$10 million for Small Business Grants/non-profit/PPE Assistance, and \$5 million in Rental Assistance/Eviction Avoidance.

We would sincerely like to thank you for the proposed \$5 million in rental assistance/eviction avoidance funding. Your Council received a letter from our Association last month asking that you do not adopt a more stringent eviction moratorium, as urged by some advocacy groups. We do not believe a moratorium is a solution. It is merely a deferment of a much larger problem.

The Governor's Executive Order for a statewide eviction moratorium does **not** relieve the tenant from the obligation to pay rent, nor does it restrict the landlord's ability to recover rent that is due. Any extension of the eviction moratorium or additional restrictions at the local level would create further harm. "Mom and Pop" property owners who depend on rental income to pay the mortgage for the same property have not been provided with financial protection for, who must still pay their mortgages and have a legal obligation to repair and maintain their properties. Property owners have simply not received any comparable relief, but remain obligated to continue to make mortgage payments on the same property. This is not a solution, nor has a true tangible solution to this problem been presented in any bill at the legislative level.

We believe your approach is much more helpful to renters as well as property owners and is a far better solution than an eviction moratorium. If you adopt the recommended plan, you will not only be helping

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your constituents who are tenants, but you will also be helping your constituents who are property owners. If property owners are unable to make mortgage payments, there will be fewer rentals in already strained rental market available to those that need them.

Additionally, our Association enthusiastically supported the County's "Kern Recovers" program, and the program greatly helped so many in our community, including our some of our members that were in great need of financial relief for their businesses. We strongly recommend that your staff include independent contractors and sole proprietors when they establish the rules for the City's program. Our State and National Associations have worked diligently at their respective levels to include independent contractors, who were overlooked in the original CARES programs established at the higher levels of government. This would benefit not only REALTORS®, but also hair stylists, construction workers, massage therapists, etc. The list of industries dependent on independent contractors is endless.

On behalf of our Associations' leadership and members, we thank you for your innovation, leadership and a mutually beneficial solution. We urge your Board to adopt the funding plan as presented by staff.

If we can be of any assistance on this matter, please do not hesitate to contact our office. Thank you for your consideration.

Sincerely,

A handwritten signature in black ink that reads "Ronda Newport". The signature is written in a cursive, flowing style.

Ronda Newport, President