

MOTION BY SUPERVISORS KATHRYN BARGER AND
JANICE HAHN

MARCH 15, 2022

SUPPORTING PROPERTY OWNERS THROUGH THE COVID-19 PANDEMIC

On January 25, 2022, the Board of Supervisors extended protections for residential tenants due to the ongoing COVID-19 pandemic. As part of these discussions, the Treasurer Tax Collector (TTC), in collaboration with County Counsel and the Department of Business and Consumer Affairs were instructed to report back to the Board regarding the feasibility of forgiving property tax payments for all rental properties where the property owner did not receive rent as a result of the eviction moratorium, and to include other actions to ease the burden for residential property owners who have been negatively impacted.

As indicated in the report by the TTC to the Board of Supervisors, California Revenue and Taxation Code (Code) requires the County Tax Collector to bill and collect real property tax by specified due dates with no exceptions. In addition, there is no State law or Constitutional provision that enables the County to rebate a portion of property taxes paid back to a property owner.

However, the Code does enable the County Tax Collector the authority to cancel real property tax penalties, interests, costs, and fees under reasonable cause and circumstances, including those beyond a taxpayer’s ability to control, which is a threshold that certainly applies to the ongoing Tenant Protections.

The Department of Consumer and Business Affairs is also administering the County of Los Angeles Mortgage Relief Program which provides financial assistance to eligible property owners.

Given the impact of the continuation of the Tenant Protections, the County must consider implementing additional efforts to support property owners.

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WE, THEREFORE, MOVE that the Los Angeles County Board of Supervisors direct the Treasurer Tax Collector to:

1. Consider and cancel real property tax penalties, interests, costs, and fees under qualifying circumstances for those property owners negatively impacted by the Tenant Protections until it expires.
2. Collaborate with the Department of Consumer and Business Affairs to proactively communicate to all property owners, the process to request cancelation of penalties, interests, costs, and fees for late payments for those who have been impacted by the Tenant Protections. This should include targeted outreach to the rental properties that are already registered or have been asked to register for the County's newly established rent registry under the County's Rent Stabilization Ordinance.

WE, FURTHER, MOVE that the Los Angeles County Board of Supervisors direct the Department of Consumer and Business Affairs to:

3. Report back to the Board during the next budget phase with funding opportunities available through the American Rescue Plan to expand the County Mortgage Relief Program for all residential property owners who have been negatively impacted by the Tenant Protections and are at risk of foreclosure on their property.

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KB:mvs