



## Legislation Text

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**File #:** 66215, **Version:** 1

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### **Fiscal Note**

The proposed resolution urges landlords to forgive penalties and late fees. This resolution does not require any City funding. No appropriation is required.

### **Title**

Urging Landlords to Forgive Penalties and Late Fees

### **Body**

WHEREAS, the Center for Disease Control has announced that the Temporary Eviction Moratorium Order ("CDC Order") will not be extended beyond June 30, 2021; and,

WHEREAS, the CDC Order does not preclude the charging or collecting of fees, penalties, or interest by landlords as a result of the failure to pay rent or other housing payments on a timely basis; and,

WHEREAS, many tenants in the city of Madison who were unable to pay rent during the period covered by the CDC Order must now pay any back rent owed, along with late fees, penalties or interest, or face eviction; and,

WHEREAS, payment of such late fees, penalties or interest for multiple months of unpaid or late rent as a lump sum payment is particularly burdensome for low income tenants, those living on fixed incomes, or those who have suffered illness from COVID-19; and,

WHEREAS, state law does not permit the City of Madison to regulate late fees, penalties or interest charged by a landlord in a tenancy; and,

WHEREAS, the Common Council is mindful that landlords who have not received timely payment of rents have lost income needed to help sustain their business activities, mass evictions of those tenants who fell delinquent due to the COVID crisis will potentially result in homelessness and a housing shortage throughout the City;

NOW, THEREFORE, BE IT RESOLVED, that the Common Council of the City of Madison urges landlords to take steps to avoid evictions by negotiating with tenants, forgiving penalties and late fees in whole and in part, negotiating long term repayment arrangements, and forbearance in filing eviction proceedings in small claims court.