



City of Chicago



R2020-283

Office of the City Clerk

Document Tracking Sheet

Meeting Date:

4/24/2020

Sponsor(s):

Martin (47)
King (4)
La Spata (1)
Sadlowski Garza (10)
Cardenas (12)
Curtis (18)
Taylor (20)
Brookins (21)
Rodriguez (22)
Sigcho-Lopez (25)
Maldonado (26)
Burnett (27)
Cardona, Jr. (31)
Waguespack (32)
Rodriguez Sanchez (33)
Ramirez-Rosa (35)
Villegas (36)
Vasquez, Jr. (40)
Hadden (49)

Type:

Resolution

Title:

Call for Governor JB Pritzker to secure mortgage forbearance, waiver of mortgage-related late fees, and commitment to refrain from reporting late payments to credit-reporting agencies from non-federal lenders and servicers of residential mortgages

Committee(s) Assignment:

Committee on Committees and Rules

RESOLUTION

WHEREAS, As the City of Chicago confronts the unprecedented public health crisis of the novel coronavirus (COVID-19) pandemic, our residents and businesses are confronting devastating illness, financial hardship, and sharply reduced time spent in public; and

WHEREAS, Governor J.B. Pritzker and Mayor Lori Lightfoot have taken difficult but necessary steps to combat the spread of COVID-19 and “flatten the curve,” including issuing stay at home orders, requiring “non-essential” businesses to close to the public, prohibiting dine-in service at bars and restaurants, and closing schools, parks, the Lakefront Trail, and other public facilities; and

WHEREAS, To ensure the effectiveness of the stay at home order, it is important that people leave their residences only for essential needs and for truly necessary and essential work; and

WHEREAS, Thousands of Chicagoans have seen their income reduced or eliminated entirely as a result of COVID-19, particularly individuals who work in the retail, food-service, and hospitality industries; and

WHEREAS, Lost income due to COVID-19 has left numerous Chicagoans unable to pay their mortgages on time and in full; and

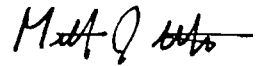
WHEREAS, Borrowers with federally backed mortgages who have lost income due to COVID-19 generally are able to receive mortgage forbearance of up to 12 months. The federally backed mortgages associated with Fannie Mae, Freddie Mac, and other federal governmental entities compose approximately half of all home loans in the United States; and

WHEREAS, On March 25, 2020, California Governor Gavin Newsom announced that four national banks—Citigroup, JPMorgan Chase, US Bank, and Wells Fargo—and approximately 200 state-chartered banks, credit unions, and servicers agreed to offer mortgage forbearance of up to 90 days to borrowers economically impacted by COVID-19. Governor Newsom also announced that these financial institutions agreed to waive or refund any mortgage-related late fees, and to not report late payments to credit-reporting agencies for borrowers taking advantage of COVID-19-related relief; and

WHEREAS, On March 28, 2020, New Jersey Governor Phil Murphy announced that five national banks—Bank of America, Citigroup, JPMorgan Chase, US Bank, and Wells Fargo—and over 40 other federal and state-chartered banks, credit unions, and servicers agreed to provide residents impacted by COVID-19 with up to 90 days of mortgage forbearance, a commitment not to report late payments to credit-reporting agencies, and relief from mortgage-related late fees; now, therefore,

BE IT RESOLVED, That the City Council of the City of Chicago calls upon Governor Pritzker to help secure a public, contemporaneous commitment from all significant non-federal lenders and servicers of residential mortgages in the City of Chicago to:

1. Offer at least 90 days of mortgage forbearance to all borrowers that have lost income due to COVID-19, and wherever possible offer payment plans that avoid a single “balloon” payment due at the end of the forbearance term;
2. Waive or refund mortgage-related late fees for at least 90 days; and
3. Forgo reporting the occurrence of late payments to credit-reporting agencies for borrowers that have been negatively impacted by COVID-19.



Matthew J. Martin
Alderman, 47th Ward

The following legislation is being introduced by [Click or tap here to enter text.](#) regarding [Click or tap here to enter text.](#) co-sponsored by

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Alderman Ward 2

Alderman Ward 3

Sophia King

Alderman Ward 4

Alderman Ward 5

Alderman Ward 6

Alderman Ward 7

Alderman Ward 8

Alderman Ward 9

Susan Sadlowski Garza

Alderman Ward 10

Alderman Ward 11

George Cardenas

Alderman Ward 12

Alderman Ward 13

Alderman Ward 14

Alderman Ward 15

Alderman Ward 16

Alderman Ward 17

Derrick Curtis

Alderman Ward 18

Alderman Ward 19

Jeanette Taylor

Alderman Ward 20

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Byron Sigcho Lopez

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Alderman Ward 30

Felix Cardona

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Scott Waguespack

Alderman Ward 32

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Carlos Ramirez Rosa

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Gilbert Villegas

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Mayor Lightfoot

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