

AGENDA ITEM 8.2

Actions Related to a Moratorium on Evictions of Small Business Tenants due to COVID-19

April 7, 2020

Presented by:

- Kim Walesh, Deputy City Manager, Director of Economic Development
- Christopher Alexander, Deputy City Attorney, City Attorney Office
- Jeff Ruster, Assistant Director, Office of Economic Development
- Victor Farlie, Senior Executive Analyst, Office of Economic Development

COUNCIL MEMO RECOMMENDATION

Either:

Adopt Staff Report recognizing the County Ordinance.

Or:

Approve the City Urgency Ordinance, Ordinance and Resolution.

KEY EVENTS

March 16 - Governor Executive Order allows Local Moratorium.

March 17 - City Approves Residential Moratorium and instructs City Attorney to draft Small Business Moratorium.

March 24 - County Adopts Residential and Commercial Ordinance.

COUNTY ORDINANCE

1. Covers All Small Business Commercial and Residential Tenants in the Incorporated & Unincorporated parts of County, including San Jose tenants.
2. Commercial includes properties used for business, income producing purposes, or other nonresidential purposes. This, includes nonprofits.
3. Tenants must show substantial loss of income due to COVID-19.
4. 120 Day Repayment Period Starts Once Moratorium Ends. Late fees prohibited.

CITY VS. COUNTY MORATORIUM

Similarities:

- Moratorium through May 31, 2020, unless State extends.
- Applies to Same Small Business Tenants
- Definition of Substantially Impacted

Differences:

- County repayment period explicitly provides 120 days
- City provides moratorium doesn't apply to abandoned property. State law provides process.

BUSINESS RESOURCES

- SBA programs - Economic Injury Assistance Fund, \$10k Advance, and Paycheck Protection Program.
- Technical and Legal Assistance.
- Weekly Webinars - Access to Capital, Employer-Employee Services, Legal Resources, Pivoting Your Business Model, etc.
- Information Dissemination.

COMMUNICATION CHANNELS

- Flash Reports.
- SJEconomy.com
- Business Tax Emails (38,000 Businesses).
- BOS Partners (32 Agencies).
- SVO, Ethnic Chambers and Business Districts.
- Weekly Webinars.

COMMUNICATION TO DATE

- COVID-19 Guidance
- CARES Act
- Unemployment Insurance
- SBA Economic Injury Disaster Loan (EIDL) Program
- SBA \$10K EIDL Emergency Loan Advance
- SBA Paycheck Protection Program
- This week – Sick Leave, Commercial Eviction Moratorium, and Federal Tax Credits

COUNCIL MEMO RECOMMENDATION

Either:

Adopt Staffs Report recognizing the County Ordinance.

Or:

Approve the City Urgency Ordinance, Ordinance and Resolution.