



# Memorandum

**TO:** CITY COUNCIL

**FROM:** Mayor Sam Liccardo

**SUBJECT:** SEE BELOW

**DATE:** May 19, 2020

*\*Signed Electronically*

**APPROVED:**

**DATE:** *May 19, 2020*

**SUBJECT: AMENDMENTS TO THE EVICTION MORATORIUM ORDINANCE  
AND EXTENSION OF MORATORIUM**

## **RECOMMENDATIONS**

1. Accept Staff's recommendations (a)1-(a)5 as amendments to the Eviction Moratorium and recommendation (b) extending the Eviction Moratorium to June 30, 2020.
2. Amend Section 11, "Repayment of Unpaid Rent accruing during the COVID-19 Moratorium," of the Eviction Moratorium Ordinance to enable additional time for repayment, such that the Eviction Moratorium Ordinance would state:
  - a. Affected Tenants shall have 12 months following the expiration of the Eviction Moratorium ("repayment period") to repay any past due rent accruing during the period of the COVID-19 Eviction Moratorium established by Council Resolution 79446 and further amended by Council.
  - b. For a period of six months following the expiration of the Eviction Moratorium, Affected Tenants shall not be subject to eviction for nonpayment of rent for failure to pay the past due rent accrued during the Eviction Moratorium if the Affected Tenants comply with section (c), below.
  - c. Fifty percent (50%) of the past due rent balance accrued during the Eviction Moratorium shall become due and payable within six months of the repayment period. The remaining 50% of the past due rent shall become due and payable by the end of the 12-month repayment period.
  - d. Nothing in these ordinances shall preclude any voluntary agreement made between the landlord and Affected Tenant if different repayment terms are, or previously have been, reached between them. In such a case, the terms of the voluntary agreement, if lawful, shall govern.

3. Amend the effective date of the Ordinances to be 12 months following expiration of the Eviction Moratorium in order to include the repayment period.
4. Direct the City Manager and the intergovernmental relations (IGR) team to work with State and federal legislators on rental assistance to be included in legislation related to Budget and/or COVID-19 assistance packages.

**Background**

My deep gratitude to City Staff for their work on the City's Eviction Moratorium and other housing policies amid this COVID-19 pandemic. The policies are complex and require urgency and nimbleness to adjust as necessary.

This memorandum focuses on the repayment section of the Eviction Moratorium. As currently directed by City Council action on April 14, the repayment period begins at the expiration of the Eviction Moratorium and expires on December 31, 2020.

In effect, if tenants whose income has been impacted by COVID-19 have opted to defer paying their rent (and been protected from eviction for non-payment of rent afforded by the Eviction Moratorium), 100% of the past-due accrued unpaid rent must be paid on or before December 31 or they risk notice of eviction for non-payment of back rent on Jan 1, 2021. Obviously, paying back rent will be difficult, if not insurmountable for many in our City.

I appreciate the California Apartment Association for thinking deeply on this issue and for offering a reasonable approach to ensuring that we mitigate the lose-lose situation of a downpour of eviction notices on January 1, which benefits neither landlord who never recovers the back rent nor the tenant who will be evicted.

The proposal, in effect, requires only 50% of the back rent to be paid by December 31 (or even later depending on extensions) before notices of eviction can be issued, and would extend the repayment deadline for the full back rent for another six months—that is, six months or more beyond December 31 (depending on future extensions).

The proposal provides a schedule of repayment certainty for landlords and fosters collaboration between landlords and tenants as we all strive to get through this pandemic together. It avoids eviction notices on January 1, which nobody wants, and provides a reasonable, anticipated path forward.