



Memorandum

TO: HONORABLE MAYOR AND
CITY COUNCIL

FROM: Councilmember Magdalena
Carrasco
Councilmember Maya Esparza

SUBJECT: SEE BELOW

DATE: June 18th, 2021

APPROVED:


Maya Esparza

DATE: June 18th, 2021

SUBJECT: Enact an Urgency and Companion Ordinance Implementing an Eviction Moratorium Through August 31, 2021 for Tenants Financially Impacted by COVID-19.

RECOMMENDATION

1. Approve the implementation of an Eviction Moratorium along with the following recommendations:
 - a. Extend the moratorium expiration date until December 31st, 2021.
 - b. Maintain the required percentage of rent tenants must pay to 25%.
 - c. Keep current documentation requirements for proof of COVID-19 impact.

BACKGROUND

The COVID-19 pandemic surgically targeted our renter community by upending their lives and contributing to the displacement of our district 5 and 7 residents, which include the zip codes 95112, 95116, 95122, and 95127. While we are pleased to see ongoing efforts to protect tenants throughout the COVID-19 pandemic, adverse impacts will continue to affect our community for a much longer time. Specifically, the economic impact on low-income residents will require a significantly longer timeline for a full recovery.

Displacement was a crisis before the pandemic: Data presented in the city's study session indicated that countywide, only 36% of displaced residents could find housing in the same city. In comparison, 5% of those displaced became homeless. Furthermore, 20% of those displaced were already in a fragile housing situation, such as living with friends or family or in a hotel.

In a recent article from the Mercury News, their business reporter takes a deep dive into to prospects of economic recovery from the COVID-19 pandemic. A couple of findings specifically support the notion that economic recovery will be a much longer process than anticipated:

1. The Bay Area has recovered only 29.4% of the 638,600 jobs it lost. The nine-county region must overcome a whopping deficit of 451,100 jobs to reclaim the record-setting employment of February 2020.¹
2. The South Bay is about 20 months away, or nearly two years, from getting back to the employment level it boasted in February 2020.²

These findings suggest that the economic impacts from this pandemic are so severe that those affected will continue to need policies in place to provide necessary forms of protection, one of which is a moratorium on evictions for residents affected by the COVID-19 pandemic. Over the past 15 months, impacted tenants have incurred thousands of dollars in debt. And while we are grateful for state and local programs aimed at providing relief to cover that debt, to date, very little of that money has been dispersed. For that reason, we find it necessary to maintain an eviction moratorium for an extended period to allow various forms of rental relief to touch down to tenants and landlords within a reasonable timeframe. If we do not provide adequate protection while many are still financially recovering from this pandemic, we fear that a tidal wave of evictions will follow suit.

We urge our council colleagues to approve a moratorium that would stay in effect until December 31st, 2021, to allow ongoing recovery efforts the opportunity to apply their services fully. In addition, we also recommend maintaining the required percentage of rent owed for the following months at 25%. As previously mentioned, the state has yet to release nearly any of their rental relief dollars. The notion that a tenant would be willing to pay more rent if impacted would not be plausible under current circumstances.

Lastly, we recommend that the required amount of documentation needed to prove the impact of COVID-19 stays the same to account for lack of access to resources such as printers as to not overburden tenants.

We look forward to passing a policy that provides the necessary forms of protection for our community as we continue to recover from what has been a genuinely unprecedented pandemic.

¹ Avalos, George, 2021, COVID: Bay Area has recovered less than a third of lost jobs, full rebound years away, *The Mercury News*, <https://www.mercurynews.com/2021/03/17/covid-economy-bay-area-jobs-recovery-years-away-tech-hotel-restaurant/>

² Avalos, George, 2021, COVID: Bay Area has recovered less than a third of lost jobs, full rebound years away, *The Mercury News*, <https://www.mercurynews.com/2021/03/17/covid-economy-bay-area-jobs-recovery-years-away-tech-hotel-restaurant/>