

# Agenda Report

May 4, 2020

**TO:** Honorable Mayor and City Council

**FROM:** Housing Department

**SUBJECT:** CONDUCT FIRST READING OF AN ORDINANCE SUPERSEDING UNCODIFIED ORDINANCE NO. 7359 AND ADDING A NEW CHAPTER 9.76 OF THE PASADENA MUNICIPAL CODE ENTITLED "COVID-19 EVICTION MORATORIUM"

## **RECOMMENDATION:**

It is recommended that the City Council:

- 1) Find that the recommended action is exempt from the California Environmental Quality Act ("CEQA") pursuant to State CEQA Guidelines Section 15061(b)(3), the General Rule that CEQA only applies to projects that may have an effect on the environment; and
- 2) Conduct first reading of an ordinance superseding uncodified ordinance no. 7359 (the current eviction moratorium) and adding a new Chapter 9.76 of the Pasadena Municipal Code entitled "COVID-19 Eviction Moratorium."

## **BACKGROUND:**

On March 17, 2020, the City Council ratified the action by the City Manager, in his role as Director of Disaster Emergency Services, of issuing a second supplement to the City's local emergency declaration, establishing an eviction moratorium for non-payment of rent by tenants impacted by the COVID-19 pandemic. The eviction moratorium now resides as an uncodified ordinance.

The eviction moratorium prohibits landlords from evicting residential tenants for (a) non-payment of rent if the tenant is unable to pay rent due to the financial impacts of COVID-19, or (b) a no-fault eviction, unless necessary for health and safety reasons. The moratorium also prohibits landlords from evicting business tenants for non-payment of rent if the tenant is unable to pay rent due to the financial impacts of COVID-19. Tenants are required to repay any back rent within six (6) months of the termination of the City emergency period. A landlord may not seek to recover late fees for rent that is delayed due to the financial impacts of the COVID-19 pandemic.

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The COVID-19 pandemic is causing and is expected to continue to cause serious financial impacts to Pasadena residents and businesses, including the substantial loss of income due to illness, business closures, loss of employment, or reduced hours, impeding their ability to pay rent. The displacement of residential and commercial tenants who are unable to pay rent due to such financial impacts could worsen the situation by making it difficult for them to comply with the Safer at Home Order, thereby placing tenants and many others at great risk. Furthermore, homelessness and instability can exacerbate vulnerability to, and the spread of, COVID-19.

On April 14, 2020, the County of Los Angeles enhanced its eviction moratorium. That moratorium provides for, among other things, a 12-month rent payback period. In response to input from local residents, the City Council has indicated a desire to revisit the terms of the City's Eviction Moratorium.

Staff recommends that the Eviction Moratorium be modified in the following manner:

1. Provide renters 12 months (instead of six months) after the local emergency ends to pay any back rent.
2. Landlords may not impose any new pass-throughs or charge interest or late fees for unpaid rent during the moratorium period (modifying existing prohibitions).
3. The definition of "tenant" under the Eviction Moratorium shall include persons or businesses that lease inside storage space in self-storage facilities.
4. Payment plans that allow landlords to accept partial payments from tenants during the moratorium are encouraged.
5. Residential tenants and business tenants with less than 10 employees may provide self-certification of their inability to pay rent, and landlords must accept this as sufficient notice. The County has developed a self-certification form for tenants to use, and Housing staff would intend to do the same, here.
6. Landlords may not harass or intimidate tenants who choose to exercise their protections under the Eviction Moratorium.
7. Allow for criminal prosecution of violations of the Eviction Moratorium, which, to be effective immediately, will require an affirmative vote of at least six Councilmembers.

In order to move the uncodified ordinance into a codified chapter of its own in the Municipal Code (9.76), immediately following the Tenant Protection Ordinance (Chapter 9.75), the City Attorney's office has moved a series of provisions around in the Eviction Ordinance, and added several definitions, as well.

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**COUNCIL CONSIDERATION**

This proposed action supports the City Council Strategic Planning Three-Year Goals in the areas of promoting the quality of life and the local economy.

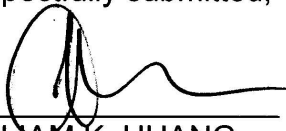
**ENVIRONMENTAL ANALYSIS**

The actions proposed herein are exempt from the California Environmental Quality Act (CEQA), pursuant to State CEQA Guidelines Section 15061 (b)(3), the "General Rule" provision of CEQA which applies to projects which may have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA. The proposed actions will not have a significant effect on the environment and, hence, is not subject to CEQA.

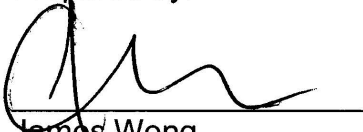
**FISCAL IMPACT**

Approval of the staff recommendations will have no direct fiscal impact on the City's General Fund.

Respectfully submitted,

  
for WILLIAM K. HUANG  
Director of Housing

Prepared by:

  
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Approved by:

  
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