Redline showing changes from prior draft ordinance presented to City Council on May 4, 2020

Introduced by:

OR	DIN	ANCE	NO		
			140.		

AN UNCODIFIED ORDINANCE OF THE CITY OF PASADENA SUPERSEDING UNCODIFIED ORDINANCE NO. 7359 AND ADDING, A NEW CHAPTER 9.76 MORATORIUM ON EVICTIONS FOR NON-PAYMENT OF THE PASADENA MUNICIPAL CODE ENTITLED "RENT BY TENANTS IMPACTED BY COVID-19 EVICTION MORATORIUM"

WHEREAS, pursuant to the City's police power, as granted broadly under Article XI, Section 7 of the California Constitution, the City Council has the authority to enact and enforce ordinances and regulations for the public peace, morals and welfare of the City and its residents;

WHEREAS, international, national, state, and local health and governmental authorities are responding to an outbreak of respiratory disease caused by a novel coronavirus named "SARS-CoV-2," and the disease it causes has been named "coronavirus disease 2019," abbreviated COVID-19, ("COVID-19");

WHEREAS, on March 4, 2020, the Health Officer declared the existence of a local health emergency in Pasadena, and on March 9, 2020, the City Council adopted a resolution ratifying the Health Officer's declaration;

WHEREAS, on March 4, 2020, the Los Angeles County Board of Supervisors and Department of Public Health declared a local emergency and local public health emergency to aid the regional healthcare and governmental community in responding to COVID-19:

WHEREAS, on March 4, 2020, the Governor of the State of California declared a state of emergency to make additional resources available, formalize emergency

actions already underway across multiple state agencies and departments, and help the state prepare for broader spread of COVID-19;

WHEREAS, on March 13, 2020, the President of the United States of America declared a national emergency and announced that the federal government would make emergency funding available to assist state and local governments in preventing the spread of and addressing the effects of COVID-19;

WHEREAS, on March 17, 2020, the City Council ratified the Director of Disaster Emergency Services' declaration of the existence of a local emergency, allowing the City of Pasadena to address the COVID-19 pandemic;

WHEREAS, on March 17, 2020, the City Council ratified an eviction moratorium to protect tenants experiencing financial impacts related to COVID-19; such moratorium currently resides as uncodified ordinance no. 7359;

WHEREAS, on March 19, 2020, the Governor of California issued Executive Order N-33-20 directing all residents of the State of California to heed directives issued by the State Health Officer on the same date instructing all Californians to stay home except as needed to maintain continuity of operations of the federal critical infrastructure sectors;

WHEREAS, on March 19, 2020, the Pasadena Health Officer issued a Safer at Home Order for Control of COVID-19, and on March 22, 2020, the Health Officer issued a Revised Order, which incorporates the Order of the State Public Health Officer set forth in the Governor's March 19 Executive Order N-33-20;

WHEREAS, on March 27, 2020, the President of the United States signed the Coronavirus Aid, Relief and Economic Security Act, which prohibits (in Section 4024)

that landlords with a mortgage guaranteed, supplemented, protected or assisted in any way by specific federal programs from initiating legal action to recover possession of a rental unit or charge late fees, penalties or other charges to the tenants related to the nonpayment of rent;

WHEREAS, on March 27, 2020, the Governor of California issued Executive Order N-37-20, extending the time for a tenant to respond to a summons and prohibiting the enforcement of a writ for tenants unable to pay due to reasons related to COVID-19; and

WHEREAS, on April 6, 2020, the Judicial Council adopted an emergency court rule that effectively delays all evictions, other than those necessary to protect public health and safety, for the duration of the COVID-19 emergency; the rule is applicable to all courts and to all eviction cases, whether they are based on a tenant's missed rent payment or another reason; among other things, the rule temporarily prohibits a court from issuing a summons after a landlord files an eviction case, unless necessary to protect public health and safety; as a result, even if a landlord files an eviction case, he or she will not have a summons to serve on the tenant until 90 days after the emergency passes; and

WHEREAS, the Centers for Disease Control and Prevention, the California Department of Health, and the Pasadena Public Health Department have all issued recommendations including but not limited to social distancing, staying home if sick, canceling or postponing large group events, working from home, and other precautions to protect public health and prevent transmission of this communicable virus;

WHEREAS, as a result of the public health emergency and the precautions recommended by health authorities, many tenants in Pasadena have experienced or expect soon to experience sudden and unexpected income loss;

WHEREAS, the Governor of the State of California has stated that individuals exposed to COVID-19 may be temporarily unable to report to work due to illness caused by COVID-19 or quarantines related to COVID-19 and individuals directly affected by COVID-19 may experience potential loss of income, health care and medical coverage, and ability to pay for housing and basic needs, thereby placing increased demands on already strained regional and local health and safety resources, including shelters and food banks;

WHEREAS, further economic impacts are anticipated, leaving tenants vulnerable to eviction;

WHEREAS, during this local emergency, and in the interest of protecting the public health and preventing transmission of COVID-19, it is essential to (a) avoid unnecessary housing displacement, to protect the City's affordable housing stock, and to prevent housed individuals from falling into homelessness; and (b) avoid unnecessary displacement of commercial businesses;

WHEREAS, loss of income as a result of COVID-19 may inhibit Pasadena residents and businesses from fulfilling their financial obligations;

WHEREAS, this local emergency includes an economic crisis that could only worsen the existing housing crisis in the City and in Los Angeles County;

WHEREAS, this ordinance is necessary to protect public health and safety, as affected by the emergency caused by the spread of COVID-19;

WHEREAS, based on the foregoing, this ordinance is required for the immediate preservation of the public peace, health, and safety, and shall take effect upon publication as provided in Section 510(B) of the Pasadena City Charter.

WHEREAS, staff discussions, testimony, and documentary evidence presented in a public forum support the basis of the findings and actions set forth in this ordinance.

NOW THEREFORE, the People of the City of Pasadena ordain as follows:

SECTION 1. This ordinance, due to its length and corresponding cost of publication will be published by title and summary as permitted by Section 508 of the Pasadena City Charter. The approved summary of this ordinance is as follows:

"SUMMARY

Ordinance No adopts a new Chapter 9.76 of the Pasadena Municipal,
COVID-19 Eviction Moratorium, imposing a, an uncodified ordinance, amends
Ordinance No. 7359, the moratorium on eviction for non-payment of rent by residential
and commercial tenants impacted by the COVID-19 pandemic.

Ordinance No. _____ shall take effect upon publication."

SECTION 2. The above recitals are true and correct and are a substantive part of this Ordinance.

SECTION 3. Ordinance no. 7359, An Uncodified Ordinance Enacting a Moratorium on Evictions for Non-Payment of Rent by Tenants Impacted by the COVID-19 Pandemic, is superseded by this ordinance.

SECTION 4. <u>Definitions</u> Pasadena Municipal Code, Title 9 (Public Peace, Morals, and Welfare), is amended to add a new Chapter 9.76 as follows:___

"Chapter 9.76 COVID-19 EVICTION MORATORIUM

Sections

9.76.010 -	Short title
9.76.020 -	Definitions
9.76.030 -	- Moratorium
9.76.040 -	Additional Prohibitions
9.76.050 -	Relation to Tenant Protection Ordinance
9.76.060 -	Remedies and Penalties for Violation
9.76.070 -	Automatic Sunset of this Chapter

9.76.010 - Short title

This chapter shall be known as "the COVID-19 eviction moratorium."

9.76.020 - Definitions

For the purpose of this <u>chapterordinance</u>, certain words and phrases are defined in this section, unless it is apparent from the context that a different meaning is intended:

A. "Financial impacts related to COVID-19" include, but are not limited to, (1) for residential tenants, lost household income as a result of any of the following: (a) being sick with COVID-19, or caring for a household or family member who is sick with COVID-19; (b) lay-off, loss of hours, or other income reduction resulting from business closure or other economic or employer impacts of COVID-19; (c) compliance with a recommendation from a government health authority to stay home, self-quarantine, or avoid congregating with others during the state of emergency; (d) extraordinary out-of-pocket medical expenses; or (e) child care needs arising from school closures related to COVID-19; and (2) for commercial tenants, lost business income from full or partial closure of the business (voluntarily or by mandate) to prevent or reduce the spread of COVID-19.

- B. "In writing" includes email or text communications to a landlord or the landlord's representative with whom the tenant has previously corresponded by email or text.
- C. "Landlord" means the owner or lessor of the rental unit or property and in addition means a person authorized to exercise any aspect of the management of the premises, acting on behalf of such persons, and/or engaged in the business of leasing or renting an apartment building, commercial building or any part thereof, multiple dwellings, rooming house, dwelling or dwellings to another.
- D. "Local emergency" means the local emergency to respond to the COVID-19 pandemic, declared by the Director of Disaster Emergency Services on March 16, 2020 and ratified by the City Council on March 17, 2020.
- E. "No-fault eviction" refers to any eviction for which the notice to terminate tenancy is not based on alleged fault by the residential tenant, including, but not limited to, eviction notices served pursuant to Code of Civil Procedure Sections 1161(1), 1161(5), or 1161c.
- F. "Pass-through charges" means costs, other than rent, appearing as a separate line item on a rent statement, which a landlord passes through to a tenant for (1) the replacement or substantial modification of any structural, electrical, plumbing, or mechanical system, (2) abatement of hazardous materials, such as lead-based paint or asbestos, (3) capital Improvements, including, but not limited to, the complete exterior painting of the building, landscaping, flooring, fixtures, doors, windows, fences, security items, meter conversions, major appliances, or window screens and coverings, (4) increases in maintenance and operating expenses, and (5) increases in property taxes.

- G. "Person" shall mean any individual, partnership, firm, association, corporation, or other legal entity.
- H. "Rent" means a fixed periodic compensation paid by a tenant at fixed intervals to a landlord for the possession and use of property, including, but not limited to, any amount paid to the landlord for parking, storage, utilities, water, garbage, or any other fee or charge associated with the tenancy. "Rent" includes costs associated with a ratio utility billing system which allocates the property's actual utility bill to the tenant based on an occupant factor, square footage factor or any other similar factors.
- I. "Self-Certification Form" means a form provided by the Housing Department and which, when completed and signed by a tenant and presented to a tenant's landlord, represents a tenant's certification of compliance with the requirements of this chapter, specifically the basis for a tenant's inability to pay rent due to financial impacts related to COVID-19.
- JI. "Tenant" means a person, partnership, corporation, family trust or other business entity entitled by a written or oral agreement to occupy a rental unit to the exclusion of others, and actually occupy said rental unit for residential or commercial purposes (including, but not limited to, a self-storage facility, as defined by Pasadena Municipal Code Section 17.80.020).

9.76.030 – SECTION 5. Eviction Moratorium

- A. During the period of local emergency declared in response to the COVID-19 pandemic:
 - For residential properties, no landlord shall endeavor to evict a tenant in either of the following situations: (1) for non-payment of

rent if the tenant is unable to pay rent due to financial impacts related to COVID-19 or (2) for a no-fault eviction unless necessary for the health and safety of tenants, neighbors, or the landlord. A landlord who knows that a tenant cannot pay some or all of the rent temporarily for the reasons set forth above shall not serve a notice pursuant to California Code of Civil Procedure Section 1161(2), file or prosecute an unlawful detainer action based on a three-day pay or quit notice, or otherwise seek to evict for non-payment of rent.

- For commercial properties, no landlord shall endeavor to evict a commercial tenant for non-payment of rent if a commercial tenant is unable to pay rent due to financial impacts related to COVID-19.
- B. A landlord knows of a tenant's inability to pay rent if the tenant, within 30 days after the date that rent is due, notifies the landlord in writing of lost income and inability to pay full rent due to financial impacts related to COVID-19, and provides documentation to support the claim. Any medical or financial information provided to the landlord shall be held in confidence, and only used for evaluating the tenant's claim. If a residential tenant or a commercial tenant with fewer than 10 employees provides a completed and signed Self-Certification Form, the landlord shall accept such self-certification as sufficient documentation of a tenant's inability to pay rent due to financial impacts related to COVID-19. Commercial tenants with 10 or more employees must provide documentation to support their claim.
- C. A landlord shall give written notice of the protections afforded by this chapterordinance to each tenant no later than 30 days after its effective date. In lieu of

providing written notice to each tenant's rental unit, a landlord may conspicuously post and prominently display such notice in the common areas of the property during the pendency of this local emergency.

- D. Nothing in this <u>chapterordinance</u> shall relieve the tenant of liability for the unpaid rent, which the landlord may seek after expiration of the local emergency and the tenant must pay within <u>twelve (12six (6))</u> months of the expiration of the local emergency.
- E. Landlords and tenants are encouraged to agree on payment plans that would allow for partial rent payments, if tenants are financially able to make such partial payments.
- F. As applied to notices of termination issued prior to the effective date of this ordinance, this ordinance shall apply to tenancies where, as of the effective date of this ordinance, said tenant remains in possession and/or any eviction lawsuit has not reached a final judgment or issuance of a final order, after all appeals have been exhausted.

9.76.040 – SECTION 6. Additional Prohibitions

Where a landlord knows of a tenant's inability to pay rent for the reasons stated in this chapterordinance, a landlord shall not:

- A. Charge or collect rent that is delayed;
- B. Charge or collect interest and/or late fees for delayed rent;
- C. Charge or collect any new pass-through charges; and/or
- D. Harass or intimidate tenants for lawful actions expressly permitted under this chapterordinance, including, but not limited to, (1) interrupting, terminating, or

failing to provide services required by rental agreement or lease or by federal, State, County, or local housing, health, or safety laws; (2) failing to perform repairs and maintenance required by rental agreement or lease or by federal, State or local housing, health, or safety laws; (3) abusing a tenant with words which are offensive and inherently likely to provoke an immediate violent reaction (including words used during in-person conversations, through social media postings or messages, or other communications); (4) influencing or attempting to influence a tenant to vacate his/her/their premises through fraud, intimidation or coercion, which shall include threatening to report a Tenant to the United States Department of Homeland Security; and (5) threatening a tenant, by word or gesture, with physical harm.

9.76.050 — SECTION 7. Relation to Tenant Protection Ordinance

This ordinance shall not be read in any way to (a) adversely affect and/or abrogate the rights of tenants under Chapter 9.75 of the Pasadena Municipal Code (Tenant Protection); and/or (b) prohibit any terminations of tenancy for just cause, or other terminations of tenancy where this ordinance does not apply.

9.76.060 – SECTION 8. Remedies and Penalties for Violation

- A. A tenant's compliance with this chapterordinance may be used as an affirmative defense in an unlawful detainer action.
 - B. It is unlawful for any person to violate or fail to comply with this chapter.
 - Any person violating the provisions of this chapter shall be guilty of a
 misdemeanor and upon conviction thereof shall be punished as
 provided in Chapter 1.24 of this code.

- 2. In addition to the penalty provisions in subsection (B)(1), violation of this chapter may be subject to the administrative proceedings set forth in Chapter 1.25 or 1.26 of this code.
- 3. Each violation of any provision of this chapter, and each day during which any such violation is committee, permitted, or continued, shall constitute a separate offense.

<u>SECTION</u> 9.76.070 – Automatic Sunset of this <u>ChapterOrdinance</u>

Given the temporary, emergency nature of this ordinance and the provisions contained herein, this chapterordinance shall automatically sunset and expire upon the City Council's termination of the local emergency, or as of December 31, 2020, whichever comes first. The 12six-month grace period for tenants to repay unpaid rent shall survive the termination of this chapterordinance.

SECTION 510. The City Council hereby declares that, should any section, subsection paragraph, sentence, phrase, term or word of this ordinance, hereby adopted, be declared for any reason to be unconstitutional or invalid, it is the intent of the City Council that it would have adopted all other portions of this ordinance irrespective of any such portion declared invalid.

SECTION 611. The City Clerk shall certify the adoption of this ordinance and shall cause this ordinance to be published by title and summary.

SECTION 712. This ordinance, receiving an affirmative vote of at least six of the eight members of the City Council, shall take effect upon publication pursuant to Pasadena City Charter Section 510(B)... Signed and approved this _____ day of _____,May, 2020. Terry Tornek Mayor of the City of Pasadena I HEREBY CERTIFY that the foregoing ordinance was adopted by the City Council of the City of Pasadena at its meeting held this day of , 2020, by the following vote: AYES: NOES: ABSENT: ABSTAIN: Date: Published: Mark Jomsky, CMC City Clerk APPROVED AS TO FORM: Javan N. Rad

Chief Assistant City Attorney