



Department of Housing

Sunset the Local Moratorium on Eviction of Residential and Commercial Tenants Impacted by the COVID-19 Pandemic

City Council

April 11, 2022





BACKGROUND

Department of Housing

City eviction moratorium in effect 3/17/20

- Landlords prohibited from evicting residential tenants for a) non-payment of rent due to impacts of COVID-19, or b) no-fault eviction
- Commercial tenants also protected
- Tenants must repay any back-rent within 6 months of moratorium expiration
- Unless sunsetted at an earlier date, moratorium will end upon Council sunseting the COVID-19 local emergency

PASADENA



BACKGROUND

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Federal protections

- CDC issued a number of nationwide orders on 9/4/20 banning eviction of residential tenants, but currently no federal protections remain

State protections

- AB 3088 eviction ban for residential tenants took effect on 8/31/20, expired on 9/30/21
- AB 2179 extends eviction protections through 6/30/22 for tenants who applied by 3/31/22 for Housing Is Key rent relief



BACKGROUND

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Local Jurisdictions

- Most local jurisdictions set the expiration of their eviction moratoria to coincide with the anticipated lifting of their local emergency
- AB 2179 ends local eviction protections if they were adopted on or after 8/19/20 (does not affect City's Moratorium, adopted on 5/18/20)
- Burbank and Glendale eviction moratoria were lifted on 9/30/21 and experienced only slight upticks in eviction cases



BACKGROUND

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Commercial Tenants in Pasadena

- Commercial real estate brokers contacted by staff regarding the potential lifting of the City's eviction moratorium
 - > Tenants that were struggling financially moved out
 - > In other cases, owners provided concessions to retain tenants
 - > In general, owners and tenants have worked out their issues over the past two years and lifting the City's eviction moratorium will have minimal impact



BACKGROUND

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Residential Tenants in Pasadena

- Demand for Housing Rights Center services increased by 23% from 2020 and 2021
- Rent relief was provided to assist COVID-impacted renter households in Pasadena:
 - > City's Emergency Rental Assistance Program - \$1M to 275 households (program completed Dec. 2020)
 - > County of LA Rent Relief Program - \$3M to 356 households (program completed June 2021)
 - > State Housing Is Key program - \$17.1M to 1,422 households to date



BACKGROUND

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Sunsetting of City eviction moratorium

- Staff considered three options:
 - a) Lift residential/commercial tenant protections immediately upon adoption of a sunsetting ordinance – need time to establish programs
 - b) Extend residential tenant protections through 12/30/22 – necessity unclear
 - c) (as recommended) Adoption of a sunsetting ordinance to: i) lift commercial tenant protections at the time of ordinance adoption, and ii) lift residential tenant protections on 6/30/22



BACKGROUND

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Sunsetting of City eviction moratorium

- Evictions are anticipated to increase but magnitude of increase cannot be estimated
- To mitigate impacts on Pasadena renters, programs totaling approx. \$3.45M in assistance are planned to be in place by 6/30/22 to provide additional HRC tenant advocacy services, emergency short-term rent assistance, and tenant-based rent assistance for eviction prevention



BACKGROUND

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Protections after moratorium is lifted

- Six-month grace period to repay unpaid rent
- TPO – not available in most other cities
- Just cause protections - state law AB 1482
 - > Landlords must have just cause to evict tenants who have occupied a unit for at least 12 months
 - > Properties exempt from AB 1482
 - Rental units built within the last 15 years
 - Single-family homes and condominiums
 - > AB 1482 sunsets in 2030

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FISCAL IMPACT

Department of Housing

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



RECOMMENDATION

Department of Housing

1) Find that the recommended action is exempt from the California Environmental Quality Act ("CEQA") pursuant to State CEQA Guidelines per Section 15061 (b) (3), the common sense exemption that CEQA only applies to projects that may have an effect on the environment;

2) Direct the City Attorney to prepare and return within 30 days with an ordinance that sunsets the COVID-19 eviction moratorium, Ordinance No. 7359: (a) for commercial properties at the time of adoption (anticipated to be in or around the middle of May, 2022); and (b) for residential properties on June 30, 2022.