



City of Culver City

Staff Report

File #: 20-906, Version: 1

Item #: A-2.

CC - (1) Discussion of Eviction Moratoria Requirements for the Repayment of Unpaid Rent; and (2) Direction to the City Manager as Deemed Appropriate.

Meeting Date: April 27, 2020

Contact Person/Dept: Jesse Mays, Assistant City Manager
Tevis Barnes, Housing Programs Administrator
Heather Baker, Assistant City Attorney

Phone Number: 310-253-6000
310-253-5780
310-253-5660

Fiscal Impact: Yes No

General Fund: Yes No

Public Hearing: **Action Item:** **Attachments:**

Commission Action Required: Yes No **Date:**

Public Notification: (E-Mail) Meetings and Agendas - City Council (04/21/2020);

Department Approval: John Nachbar, City Manager (04/21/2020)

RECOMMENDATION

Staff recommends the City Council (1) discuss eviction moratoria requirements for the repayment of unpaid rent; and (2) provide direction to the City Manager as deemed appropriate.

BACKGROUND

On March 14, 2020, pursuant to the authority granted by Culver City Municipal Code ("CCMC") Section 3.09.020.B.1.a, the City Manager, as the Director of Emergency Services, issued a Proclamation of Local Emergency due to the outbreak and spread of the coronavirus respiratory disease ("COVID-19") pandemic.

Residential Tenant Eviction Moratorium

On March 16, 2020, under the authority of CCMC Section 3.09.020.B.1.h(2), the City Manager issued

a Public Order enacting City measures to protect members of the public and City workers from undue risk of COVID-19 (“March 16 Order”). The March 16 Order included, among other things, the imposition of a moratorium on residential tenant evictions (“Residential Tenant Eviction Moratorium” or “RTEM”), which prohibited a landlord from evicting a residential tenant in the City of Culver City during the local emergency period if the tenant documented an inability to pay rent due to circumstances related to the COVID-19 pandemic. The March 16 Order originally was set to expire on March 31, 2020, but was subsequently extended, as discussed herein below.

On March 26, 2020, in response to growing evidence of the critical need for residents to shelter in place, the City Council considered further expanding the Residential Tenant Eviction Moratorium. Finding a compelling public interest in protecting the public health and safety and the health and safety of tenants who are facing eviction, and in ensuring that residents have a home in which to shelter in place during this critical health crisis, the City Council directed the City Manager to expand the Residential Tenant Eviction Moratorium to prohibit all evictions of residential tenants through May 31, 2020, subject to certain limited exceptions.

On March 27, 2020, the City Manager, issued a public order extending the Residential Tenant Eviction Moratorium through May 31, 2020 and expanding its scope, consistent with the City Council’s March 26th direction (“March 27 Order”) (Attachment 1). In order to effectuate the March 27 Order, the City Manager issued *Amended Rules and Implementation Measures Regarding Residential Tenant Eviction Moratorium* on April 3, 2020 (“RTEM Amended Implementation Measures”) (Attachment 2).

Commercial Tenant Eviction Moratorium

On March 20, 2020, the City Manager issued a First Supplement to Public Order (“March 20 Order”) (Attachment 3), which included, among other things, protections for commercial tenants against evictions based on an inability to pay rent due to COVID-19 related circumstances (“Commercial Tenant Eviction Moratorium” or “CTEM”). In order to effectuate the March 20 Order, the City Manager issued *Rules and Implementation Measures Regarding Commercial Tenant Eviction Moratorium* on March 27, 2020 (“CTEM Implementation Measures”) (Attachment 4). The March 20 Order originally was set to expire on April 19, 2020; however, the CTEM was subsequently extended to May 31, 2020, pursuant to the City Manager’s Fifth Supplement to Public Order issued on April 7, 2020 (Attachment 5).

DISCUSSION

Included in both the Residential Tenant Eviction Moratorium and the Commercial Tenant Eviction Moratorium is a provision that requires a tenant who has an inability to pay rent during the local emergency period, and who qualifies for protection under the respective moratoria, to pay any rent that remains unpaid (“Back Rent”) within six months of the expiration of the local emergency period.

Section 9 of the RTEM Amended Implementation Measures provides, in part:

Nothing in the Public Order or these Implementation Measures shall relieve a Tenant of liability for unpaid Rent. A Protected Tenant who was unable to pay Rent during the

Local Emergency Period will have a period of six months after the expiration of the Local Emergency Period to pay all Back Rent.

Section 8 of the CTEM Implementation Measures provides, in part:

Nothing in the March 20 Order or these Implementation Measures shall relieve an Affected Tenant of liability for unpaid Rent. An Affected Tenant will have a period of six months after the expiration of the Local Emergency Period to pay all Back Rent.

Culver City has remained closely in step with most Los Angeles County Department of Public Health and City of Los Angeles public orders in many respects. With regard to the provision of the payment of Back Rent, there are the following variations:

<u>Agency</u>	<u>RTEM Back Rent Payment</u>	<u>CTEM Back Rent Payment</u>
Culver City	6 months	6 months
City of LA	12 months	3 months
County of LA*	12 months	12 months

*County of Los Angeles originally required a 6-month payback; however, on April 15, 2020 the County extended the 6-month period to 12 months.

Over the past few weeks, the City has received concerns about whether the six-month period for the payment of Back Rent will be sufficient. Tenants are concerned, once the stay at home orders are lifted and they are able to go back to work or reopen a business, as the case may be, that it will be a slow financial recovery and challenging to pay Back Rent while keeping up with current rent. (Note: Since the enactment of the Residential Tenant Eviction Moratorium, Housing staff has received over 470 inquiries, including emails and phone calls, on a myriad of issues regarding the RTEM; and on the CTEM side, Economic Development staff has received approximately 10 requests for information and has successfully assisted one commercial tenant from being evicted.)

Staff recommends the City Council discuss the matter and provide direction as deemed appropriate. If the City Council provides direction to modify the requirements for the payment of Back Rent for the RTEM, CTEM, or both, (1) the City Manager will issue a supplemental public order consistent with such direction; and (2) staff will return with a proposed resolution confirming such order at the next City Council meeting.

FISCAL ANALYSIS

There is no fiscal impact associated with the discussion of this matter.

ATTACHMENTS

1. 2020-04-27_ATT 1_RTEM Extension and Expansion March 27 Order
2. 2020-04-27_ATT 2_RTEM Amended Implementation Measures
3. 2020-04-27_ATT 3_CTEM March 20 Order
4. 2020-04-27_ATT 4_CTEM Implementation Measures
5. 2020-04-27_ATT 5_CTEM Extension April 7 Order

MOTION

That the City Council:

1. Discuss eviction moratoria requirements pertaining to the repayment of unpaid rent; and
2. Provide direction to the City Manager as deemed appropriate.