

ORDINANCE NO. 20-1045U

**AN URGENCY ORDINANCE OF THE CITY COUNCIL OF THE CITY OF
TEMPLE CITY MODIFYING THE CITY'S TEMPORARY PROHIBITION
ON EVICTIONS OF RESIDENTIAL AND COMMERCIAL TENANTS
ARISING OUT OF FINANCIAL IMPACTS OF THE COVID-19
PANDEMIC**

WHEREAS, on March 4, 2020, Governor Gavin Newsom proclaimed a state of emergency within the State of California ("State") due to the threat posed by Novel Coronavirus ("COVID-19");

WHEREAS, on March 4, 2020, the Los Angeles County Health Officer issued a Declaration of Local Health Emergency due to the introduction of COVID-19 cases to Los Angeles County;

WHEREAS, on March 4, 2020, Los Angeles County Board of Supervisors ("Board") concurred and issued a Proclamation ("Proclamation") declaring a local emergency within the County of Los Angeles regarding the imminent spread of COVID-19;

WHEREAS, on March 16, 2020, Governor Newsom issued an Executive Order that will aid Californians affected by COVID-19 by authorizing local governments to halt evictions for renters, encouraging financial institutions to slow foreclosures, and protecting renters and homeowners against utility shutoffs;

WHEREAS, on March 19, 2020 Governor Newsom issued an Executive Order that requires all persons to remain at home to the extent possible and requires all non-essential businesses to be closed;

WHEREAS, on March 19, 2020, Kathryn Barger, Chair of the Los Angeles County Board of Supervisors issued an Executive Order prohibiting residential and commercial evictions in the unincorporated portions of the County under certain circumstances related to COVID-19; which order has twice been modified by the Board of Supervisors to extend its scope and its duration;

WHEREAS, on March 21, 2020 the Los Angeles County Department of Public Health issued a clarifying Safer at Home order, requiring all persons to remain at home to the extent possible, unless engaged in essential businesses;

WHEREAS, on March 27, 2020 Governor Newsome issued an Executive Order placing a Statewide moratorium on evictions of residential tenants arising from nonpayment of rent due to circumstances related to COVID-19, but that has been interpreted by the Governor to allow more restrictive orders by local governments;

WHEREAS, businesses that are temporarily closed by the Safer at Home orders are not generating tax revenues needed for public services, and evictions and replacement of such tenants will further delay generation of tax revenues once the Safer at Home orders are lifted. Further, even businesses that continue in operation as "Essential Businesses" such as restaurants, are still subject to reductions in income as a result of the "Safer at Home" orders;

WHEREAS, California Government Code section 8630 et seq. authorize the City to declare a local emergency, which the City Council did at an emergency meeting on March 13, 2020;

WHEREAS, California Government Code sections 8634, 36934 and 36937 authorize the City Council to take action by ordinance to take effect immediately for the preservation of the public peace, health or safety when adopted by a four-fifths vote of the City Council;

WHEREAS, as a result of the COVID-19 public health emergency and the precautions recommended by health authorities, many residential and commercial tenants in the City have experienced

or expect to experience sudden and unexpected income loss;

WHEREAS, further economic impacts are anticipated, leaving residential and commercial tenants potentially unable to pay rent and 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 avoid unnecessary housing displacement, and prevent housed individuals from falling into homelessness;

WHEREAS, during this local emergency, and in the interest of protecting the public health and welfare, it is essential to avoid unnecessary loss of commercial tenants that could create long-term vacancies in commercial areas leading to blight and a loss of important community amenities even after the emergency has ended;

WHEREAS, on March 31, 2020 the City Council did take action to adopt Ordinance No. 20-1041U, a moratorium that prohibits evictions of residential and commercial tenants during the local emergency that was consistent with the original moratorium adopted by the County of Los Angeles;

WHEREAS, the term of the moratorium is set to be through May 31, 2020 or until such time as the State of California and Los Angeles County public health orders are lifted, whichever is later;

WHEREAS, those public health orders have been substantially modified to allow many businesses to resume operations (albeit in a modified fashion) but the orders do not currently appear to be approaching any end date such that termination date for the City's moratorium cannot be predicted;

WHEREAS, some jurisdictions that have adopted similar moratoria have clarified certain language in the moratoria to ensure that only tenants affected by COVID-19 are offered the protections thereof, as a means by which to balance the moratoria's impacts on tenants with their impacts on landlords;

WHEREAS, on June 2 the City Council considered the status of the moratorium and directed that clarifying language be drafted to balance the moratorium's impacts on tenants and landlords and that an investigation into a suitable end date for the moratorium be carried out in order to provide certainty to tenants and landlords within the City.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF TEMPLE CITY DOES ORDAIN AS FOLLOWS:

SECTION 1. A temporary moratorium on eviction for non-payment of rent by residential or commercial tenants impacted by the COVID-19 crisis is imposed as set forth herein; Ordinance No. 20-1041U is hereby superseded and therefore rescinded and of no further force or effect.

SECTION 2. From the date of this Ordinance through its expiration, as set forth herein, in response to COVID-19 no landlord shall endeavor to evict a tenant for nonpayment of rent if the tenant demonstrates that the tenant is unable to pay rent due to Financial Impacts related to COVID-19.

SECTION 3. A landlord who knows or is deemed to know that a tenant cannot pay some or all of the rent temporarily for the reasons set forth above in Section 2 shall not serve a notice pursuant to CCP 1161(2), file or prosecute an unlawful detainer action based on a 3-day pay or quit notice, or otherwise seek to evict for nonpayment of rent.

SECTION 4. A landlord shall be deemed to know of a tenant's inability to pay rent within the meaning of this Ordinance if the tenant, within 7 days after the date that rent is due, notifies the landlord in writing and provides sufficient documentation that the tenant is unable to pay rent due to Financial Impacts related to COVID-19. For purposes of this Ordinance, "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, as well as traditional written communication. Any medical or financial information provided to the landlord shall be held in confidence, and only be used for evaluating the tenant's claim.

SECTION 5. Nothing in this Ordinance shall relieve the tenant of liability for the unpaid rent, nor restrict a landlord's ability to recover rent due nor alter any obligations or rights of a landlord or tenant except as expressly set forth herein. A tenant shall not be deemed in default of rent payment obligations unless the Tenant fails to tender rent payments which were unpaid due to Financial Impacts related to COVID-19, within 6 months of September 30, 2020. A landlord shall not impose, charge, or collect a late fee or equivalent surcharge for any rent payments which were unpaid due to Financial Impacts related to COVID-19. Tenants and landlords are encouraged to agree to a payment plan during this six-month period, but nothing in this Ordinance shall be construed to prevent a tenant from paying a landlord any amount due incrementally during this six-month period. Any three-day notices to pay or quit or no-fault eviction notices served prior to the effective date of this ordinance, but not yet expired, are automatically deemed served upon the conclusion of the Moratorium Period if arising from Financial Impacts related to COVID-19.

SECTION 6. For purposes of this Ordinance, "Financial Impacts related to COVID-19" ("Financial Impact") include nonpayment of rent arising out of a substantial decrease in household or business income (including, but not limited to, a substantial decrease in household income caused by layoffs or a reduction in the number of compensable hours of work, or a substantial decrease in business income caused by a reduction in opening hours or consumer demand), or substantial out-of-pocket medical expenses, or a tenant's lost household income as a result of caring for minor children affected by school, pre-school and/or childcare closures; *provided that*, the Financial Impact was caused by the COVID-19 pandemic, or by any local, state or federal government response to COVID-19, and is documented by the tenant.

SECTION 7. This Ordinance applies only to terminations of tenancies for nonpayment of rent arising from Financial Impacts related to COVID-19, including eviction notices, no-fault eviction notices as defined herein, and unlawful detainer actions based on such notices, served or filed during the effective period of this Ordinance and for six months thereafter. For purposes of this Ordinance, "no-fault eviction notices" refer to any eviction for which the notice to terminate tenancy is not based on alleged fault by the tenant but for which a tenant can show Financial Impacts related to COVID-19 and can show that the landlord knew or was deemed to know about the Financial Impacts related to COVID-19 pursuant to this Ordinance prior to initiating termination proceedings.

SECTION 8. In the event of a violation of this Ordinance, this Ordinance grants a defense to eviction where an unlawful detainer action is commenced in violation of this Ordinance. Additionally, an aggrieved tenant may institute a civil proceeding for injunctive relief, money damages of not less than three times actual damages, and whatever other relief the court deems appropriate. The prevailing party shall be entitled to reasonable attorney's fees and costs pursuant to ordinance of the court. The remedy available under this section shall be in addition to any other existing remedies which may be available to the tenant under local, state or federal law.

SECTION 9. This Ordinance shall be in force and effect until September 30, 2020. Should the Governor, the State or Federal Legislature, or the President issue an order or regulation on the topic of this Ordinance which provides eviction protection that applies Statewide or nationwide, this Ordinance shall be of no further force or effect.

SECTION 10. If any provision of this Ordinance is found to be unconstitutional or otherwise invalid by any court of competent jurisdiction, that invalidity shall not affect the remaining provisions of this chapter which can be implemented without the invalid provisions, and to this end, the provisions of this chapter are declared to be severable. The City Council hereby declares that it would have adopted this ordinance and each provision thereof irrespective of whether any one or more provisions are found invalid, unconstitutional or otherwise unenforceable.

SECTION 11. The City Clerk shall certify the adoption of this ordinance and shall cause this ordinance to be published by title and summary in the manner required by law.

SECTION 12. For the reasons set forth above in the recitals, this Ordinance is an urgency ordinance and shall take effect immediately upon adoption by a 4/5 vote of the City Council, due to the immediate need to protect the public health, safety and welfare.

Signed and approved this 7th day of July, 2020.

Thomas Chavez, Mayor

ATTEST:

Peggy Kuo, City Clerk

Gregory Murphy, City Attorney

I HEREBY CERTIFY that the foregoing ordinance was adopted by the City Council of the City of Temple City at its meeting held on the 7th day of July, 2020 by the following vote:

AYES: Councilmember: Man, Vizcarra, Yu, Chavez
NOES: Councilmember: None
RECUSED: Councilmember: Sternquist
ABSTAIN: Councilmember: None

Peggy Kuo, City Clerk