ORD-2

CHARLES PARKIN City Attorney

MICHAEL J. MAIS Assistant City Attorney

May 26, 2020

HONORABLE MAYOR AND CITY COUNCIL City of Long Beach California

RECOMMENDATION:

Recommendation to declare ordinance amending the Long Beach Erin Weesner-McKinley Municipal Code by amending Subsection 8.100.030.A, and Sections 8.100.040 and 8.100.050, all relating to a temporary prohibition on evictions due to COVID-19 and declaring the urgency thereof, read the first time and laid over to the next regular meeting of the City Council for final reading. (Citywide)

DISCUSSION

On May 19, 2020 the City Council gave direction to our office to draft and submit to Council an ordinance amending the temporary prohibition on evictions of residential and commercial tenants due to non-payment of rent resulting from adverse impacts associated with COVID-19.

Pursuant to such direction, the ordinance is attached hereto and is submitted for your consideration.

SUGGESTED ACTION:

Approve recommendation.

Very truly yours,

CHARLES PARKIN, City Attorney

RICHARD F. ANTHONY Deputy City Attorney

PRINCIPAL DEPUTIES

Gary J. Anderson Charles M. Gale Anne C. Lattime Howard D. Russell

DEPUTIES

David R. Albers C. Geoffrey Allred Taylor M. Anderson Richard F. Anthony William R. Baerg Sarah E. Green Monica J. Kilaita Nicholas J. Masero Dawn A. McIntosh Lauren E. Misajon Matthew M. Peters Katrina R. Pickett Arturo D. Sanchez Chelsea N. Trotter Todd Vigus Amy R. Webber

Theodore B. Zinger

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8.100.030 Prohibition on Evictions.

Α. The owner of residential or commercial real property shall not take action to evict a residential or commercial tenancy if (1) the basis for the eviction is non-payment of rent which became due between March 4, 2020 and May-July 31, 2020, or a foreclosure, 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; and (2) the decrease in such household or business income or such out-of-pocket medical expenses was caused by the COVID-19 pandemic, or by any local, state or federal government (including school districts) response to COVID-19, and is documented and communicated to the owner in accordance herewith. After May 31, 2020, the following commercial tenancies shall be excluded from the application of this Chapter: (1) tenants and sub-tenants which are multi-national companies, publicly-traded companies or which have more than five hundred (500) employees; (2) tenancies and sub-tenancies managed by the Airport; (3) tenancies and sub-tenancies managed by the Harbor Department; and (4) tenancies and sub-tenancies within the Tidelands area. Any such excluded commercial tenants which previously delayed rent in accordance with this Chapter shall repay the entirety of such rent on or before November 30, 2020 (without any associated late charges).

8.100.040 Pay-or-Quit Notices.

Any pay-or-quit notices dated between March 25, 2020 and May July 31, 2020 shall include the following language (or substantially similar): "The City of Long Beach has declared a state of emergency in response to COVID-

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19. If you cannot pay your rent due to a loss of income or medical expenses resulting from COVID-19, you need to notify and provide supporting documentation to [provide owner or agent contact information] immediately. You may qualify for protections against eviction and you may have a right to delay your rent payment and to repay such delayed rent over a six-month period".

8.100.050 Grace Period.

Tenants which are protected against eviction under this Chapter shall have until November 30, 2020 July 31, 2021 to pay all delayed rent (without any associated late charges); provided, however, that all of such delayed and unpaid rent shall become immediately payable should a tenant fail to make a regularly scheduled monthly rental payment after May July 31, 2020, and such failure to make a regularly scheduled payment persists after the expiration of a pay-or-quit notice applicable thereto.

DFFICE OF THE CITY ATTORNEY CHARLES PARKIN, City Attorney 11 West Ocean Boulevard, 9th Floor Long Beach, CA 90802-4664

ORDINANCE NO.

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LONG BEACH AMENDING THE LONG BEACH MUNICIPAL CODE BY AMENDING SUBSECTION 8.100.030.A., AND SECTIONS 8.100.040 AND 8.100.050; ALL RELATING TO THE TEMPORARY PROHIBITION OF EVICTIONS DUE TO COVID-19; DECLARING THE URGENCY THEREOF; AND DECLARING THAT THIS ORDINANCE SHALL TAKE EFFECT IMMEDIATELY

WHEREAS, on March 4, 2020, the Governor proclaimed a State of Emergency to exist in California due to the threat posed by the novel coronavirus and the COVID-19 disease resulting therefrom; and

WHEREAS, on March 24, 2020 the City Council adopted Ordinance ORD-20-0010 adding Chapter 8.100 to the Long Beach Municipal Code affording residential and commercial tenants adversely impacted by COVID-19 with certain temporary protections, including eviction prohibition and rent deferment; and

WHEREAS, despite sustained efforts, COVID-19 remains a threat, and many residential and commercial tenants and housing providers continue to experience income loss resulting from COVID-19 and/or the governmental response thereto; and

WHEREAS, such income loss will impact some tenants' and housing providers' ability to pay rent or mortgages when due, leaving such tenants and housing providers vulnerable to eviction and possible homelessness or foreclosure, respectively; and

WHEREAS, such impacted tenants who cannot pay rent in full are encouraged to pay as much rent as possible to reduce the amount owed upon expiration of the temporary prohibition on evictions, and thereafter are encouraged to pay as much

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deferred rent as possible as soon as possible or otherwise according to a negotiated payment plan during the deferred rent repayment period; and

WHEREAS, in the interests of protecting the public health and mitigating the economic impacts of COVID-19, it is essential to avoid displacement of tenants by extending the application of Ordinance 20-0010, subject to certain conditions;

NOW, THEREFORE, The City Council of the City of Long Beach ordains as follows:

Section 1. Subsection 8.100.030.A of the Long Beach Municipal Code is amended to read as follows:

8.100.030 Prohibition on Evictions.

Α. The owner of residential or commercial real property shall not take action to evict a residential or commercial tenancy if (1) the basis for the eviction is non-payment of rent which became due between March 4, 2020 and July 31, 2020, or a foreclosure, 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; and (2) the decrease in such household or business income or such out-of-pocket medical expenses was caused by the COVID-19 pandemic, or by any local, state or federal government (including school districts) response to COVID-19, and is documented and communicated to the owner in accordance herewith. After May 31, 2020, the following commercial tenancies shall be excluded from the application of this Chapter: (1) tenants and sub-tenants which are multi-national companies, publicly-traded companies or which have more than five hundred (500) employees; (2) tenancies and sub-tenancies managed by the Airport; (3)

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tenancies and sub-tenancies managed by the Harbor Department; and (4) tenancies and sub-tenancies within the Tidelands area. Any such excluded commercial tenants which previously delayed rent in accordance with this Chapter shall repay the entirety of such rent on or before November 30, 2020 (without any associated late charges).

Section 8.100.040 of the Long Beach Municipal Code is Section 2. amended to read as follows:

8.100.040 Pay-or-Quit Notices.

Any pay-or-quit notices dated between March 25, 2020 and July 31, 2020 shall include the following language (or substantially similar): "The City of Long Beach has declared a state of emergency in response to COVID-19. If you cannot pay your rent due to a loss of income or medical expenses resulting from COVID-19, you need to notify and provide supporting documentation to [provide owner or agent contact information] immediately. You may qualify for protections against eviction and you may have a right to delay your rent payment and to repay such delayed rent over a six-month period".

Section 8.100.050 of the Long Beach Municipal Code is Section 3. amended to read as follows:

Grace Period. 8.100.050

Tenants which are protected against eviction under this Chapter shall have until July 31, 2021 to pay all delayed rent (without any associated late charges); provided, however, that all of such delayed and unpaid rent shall become immediately payable should a tenant fail to make a regularly scheduled monthly rental payment after July 31, 2020, and such failure to make a regularly scheduled payment persists after the expiration of a payor-quit notice applicable thereto.

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Section 4. This ordinance is an emergency ordinance duly adopted by the City Council by a vote of five of its members and shall take effect at 12:00 a.m. on May 26, 2020. The City Clerk shall certify to a separate roll call and vote on the question of the emergency of this ordinance and to its passage by the vote of five members of the City Council of the City of Long Beach, and cause the same to be posted in three conspicuous places in the City of Long Beach.

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Section 5. This ordinance shall also be adopted by the City Council as a regular ordinance, to the end that in the event of any defect or invalidity in connection with the adoption of this ordinance as an emergency ordinance, the same shall, nevertheless, be and become effective on the thirty-first (31st) day after it is approved by the Mayor. The City Clerk shall certify to the passage of this ordinance by the City Council of the City of Long Beach and shall cause the same to be posted in three (3) conspicuous places in the City of Long Beach.

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OFFICE OF THE CITY ATTORNEY CHARLES PARKIN, City Attorney 411 West Ocean Boulevard, 9th Floor Long Beach, CA 90802-4684

1	I here	eby certify that on a separat	te roll call and vote which was taken by the
2	City Council of the City of Long Beach upon the question of emergency of this ordinance		
3	at its meeting of M	lay 26, 2020, the ordinance	e was declared to be an emergency by the
4	following vote:		
5	Ayes:	Councilmembers:	
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8	Noes:	Councilmembers:	
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10	Absent:	Councilmembers:	
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12	Recusal(s):	Councilmembers:	
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- 1	l furth	ner certify that thereafter, at	the same meeting, upon a roll call and
14		•	the same meeting, upon a roll call and ted by the City Council of the City of Long
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I further certify that the foregoing ordinance was thereafter adopted on final reading by the City Council of the City of Long Beach at its meeting of , 2020, by the following vote: Ayes: Councilmembers: Councilmembers: Noes: Councilmembers: Absent: Recusal(s): Councilmembers: Approved: (Date)

OFFICE OF THE CITY ATTORNEY CHARLES PARKIN, City Attorney 411 West Ocean Boulevard, 9th Floor Long Beach, CA 90802-4664

Clerk

Mayor