



Agenda Report

20-477

Agenda Date: 4/28/2020

REPORT TO COUNCIL

SUBJECT

Adoption of a Resolution extending the Moratorium on Evictions for the Non-payment of Rent and No-Fault Evictions for Tenants with Incomes Affected by the Novel Coronavirus (COVID-19) to May 31, 2020 [Promote and Enhance Economic and Housing Development]

BACKGROUND

On January 30, 2020, the World Health Organization ("WHO") declared COVID-19 a Public Health Emergency of International Concern. This was followed by public health declarations being issued by the State of California, County of Santa Clara, and City of Santa Clara in March. These public health declarations have required residents to shelter in place and limit work to only essential services which has created financial challenges for residents due to unemployment, layoffs, and having to care for family members or children. As a result of these concerns, the City, County, and State have each enacted eviction moratoriums to protect tenants who may face eviction as a result of the loss of income from COVID-19.

On March 24, 2020, the City Council adopted an Urgency Ordinance, setting in place a moratorium on evictions in the City of Santa Clara for the non-payment of rent and no-fault evictions for tenants affected by COVID-19. The Moratorium went into effect March 24, 2020 for a period of 45 days until May 8, 2020. The City Council is authorized to extend the Moratorium by Resolution. The ordinance applies to all residential tenants renting in a building or portion of a building that is used as a home, residence or sleeping place in Santa Clara for periods in excess of seven days.

Also, on April 7, 2020, the City Council approved the reintroduction of a Regular Ordinance allowing moratorium on evictions to be extended by resolution for 30-day periods. Revisions to the ordinance were made to align the effective dates with County and State's timelines before a landlord can seek the nonpayment of rent. If the ordinance is passed by the City Council, it will become effective on May 28, 2020.

DISCUSSION

The financial impact due to COVID-19 has resulted in layoffs and an increase of unemployment insurance claims statewide. US Department of Labor has reported 16.8 million unemployment claims filed between March 15 - April 4. As of April 16, 2020, approximately 2.7 million California residents have filed for unemployment insurance since March 15, 2020. These numbers continue to increase. As a result of the significant financial impacts, there has been an increased need for relief resources for tenants and landlords. The extension of the moratorium will allow time for funding to be received by qualified residents and will provided time for other forms of assistance to be available to the most vulnerable populations.

This extension will provide needed relief for residents who have applied for, but have not yet received financial assistance, by stabilizing their housing. The extension eliminates some of the uncertainty caused by the delay in processing unemployment benefits and other local, state and federal assistance programs residents are waiting to receive. By providing tenants with this measure of security, residents across the City can focus on obtaining financial, food and health services. The extension also aligns with the City's ongoing commitment to mitigate homelessness and preserve housing.

The Council's adoption of the resolution will extend the Urgency Ordinance through May 31, 2020. The City's regular ordinance, if adopted, on the moratorium will go into effect on May 28, 2020 and can be activated by resolution.

ENVIRONMENTAL REVIEW

The ordinance regulates eviction of tenants from existing rental units and its adoption is an administrative activity that does not result in a direct or indirect physical change to the environment. Therefore, this action is exempt from environmental review under CEQA per the CEQA Guidelines section 15378(b)(5).

FISCAL IMPACT

There is no fiscal impact with the moratorium.

COORDINATION

This report has been coordinated with the City Attorney's office.

PUBLIC CONTACT

Public contact was made by posting the Council agenda on the City's official-notice bulletin board outside City Hall Council Chambers. A complete agenda packet is available on the City's website and in the City Clerk's Office at least 72 hours prior to a Regular Meeting and 24 hours prior to a Special Meeting. A hard copy of any agenda report may be requested by contacting the City Clerk's Office at (408) 615-2220, email clerk@santaclaraca.gov <<mailto:clerk@santaclaraca.gov>>.

RECOMMENDATION

Adopt a resolution extending the Urgency Ordinance temporary moratorium on evictions for the non-payment of rent and no-fault evictions for Tenants affected by the novel coronavirus (COVID-19) to May 31, 2020.

Reviewed by: Ruth Mizobe Shikada, Assistant City Manager

Approved by: Deanna J. Santana, City Manager

ATTACHMENTS

1. Resolution (Draft)